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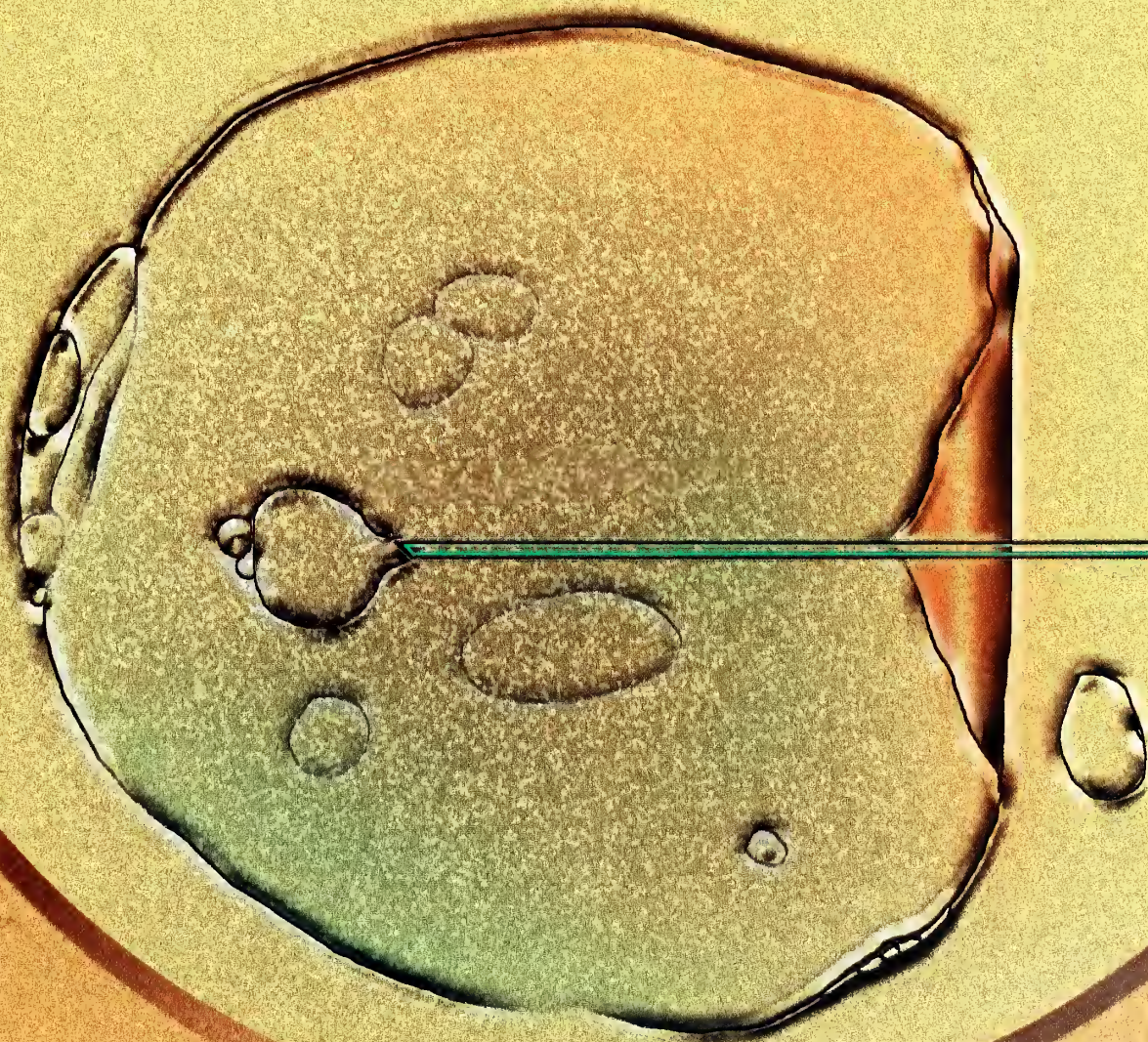
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will need venture capital and great minds. What can  
government do to foster this entrepreneurial culture?**





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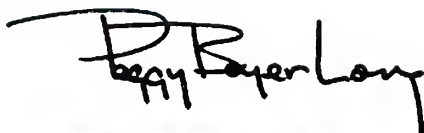
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## ***Illinois Issues* offers a few talking points for the coming months**

by Peggy Boyer Long

**N**ow that the primary campaigns are behind them, state officials, and potential state officials, might turn their attention to the more complex matter of governance.

They'll face plenty of challenges this spring, certainly, some more pressing than others. They'll need to agree, most particularly, on ways to stretch a declining number of public dollars over an increasing number of public needs. That'll be tough enough.

Still — and we're optimists at *Illinois Issues* — this could be the right time for some forward thinking. So this month, we've compiled a short reader on policy questions that could have long-term consequences for the state, and some talking points for the coming months.

- **Economic development.** A California-based consulting firm reported to the state Department of Commerce and Community Affairs that Illinois has 10 "high potential niche industries that offer major growth potential," including financial services, telecommunications and biotechnology. But that same report notes that Illinois hasn't benefited as much as other states in the growth of the so-called "gazelle" industries, especially biotechnology. By not moving ahead fast enough in cutting-edge technologies, Illinois could be falling behind.

Aaron Chambers assesses, beginning on page 14, some reasons that might be, and some ways in which government could foster an entrepreneurial culture.

The possible payoffs: jobs and revenue.

- **Rail transportation.** Chicago has always been a hub for freight and passenger rail service. Today, Union Station is the fourth-busiest Amtrak passenger station in the nation. Of the 19 long-distance routes operated by the company, 11 terminate in that city. But as Congress prepares to debate reauthorization of the publicly subsidized passenger rail company, Amtrak is fighting for survival.

Charlie Schlenker writes in his article on fast trains, which begins on page 18, that the political controversies surrounding Amtrak "could further decelerate the pace of high speed rail planning." The results of this federal debate could be bad news for Illinois.

Daniel C. Vock reports, beginning on page 21, that state subsidies can help. Indeed, Illinois shells out \$10.3 million a year to subsidize some passenger rail routes. But he also suggests Amtrak might want to pick up a few tips on politics, financing and operations from the Chicago region's Metra, Illinois' other major passenger rail service.

- **Social welfare.** Illinois has made measurable improvements in the lives of this state's children. More of them from low-income families have medical coverage, thanks to state and federal programs. State support for childcare has gone up, too. And Gov. George Ryan wants to extend spending on kids' medical coverage to their families in the coming budget year. He also would increase state

payment levels to families under the federally restructured welfare program and fund development of a preschool program for all 3- and 4-year-olds.

But Maura Webber argues, beginning on page 24, that some proposed state budget cuts will hit low-income families hard. "The irony is that a slowing economy has put pressure on governments to pull back funding on social service programs just as working-poor families face a soft job market that makes assistance more important than ever," she writes. "And this threatens to erode the advances in public policy that have given children from Illinois' low-income families a better chance to succeed."

- **Education finance.** We offer some new perspectives on this old issue. Kristy Eckert writes (page 28) that amid a general shortage, minority teachers, who are more mobile, are most in demand. Kevin McDermott writes (page 29) that the state hopes to bring "more teachers into the system by making it harder to become one." John Patterson writes (page 30) that property tax caps have forced some suburban schools to use fancy accounting methods.

- **Global warming.** Predicting the weather is dicey without calculating the impact of greenhouse gases; figuring out what to do about it is even trickier. But James Krohe Jr. suggests in his essay, beginning on page 32, that Illinois government might want to wait out this developing problem for awhile. □

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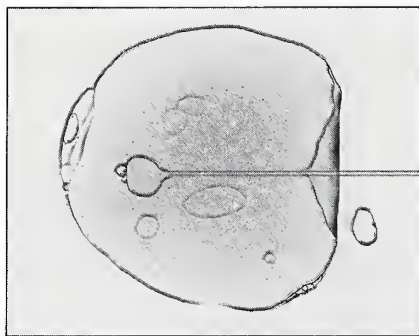
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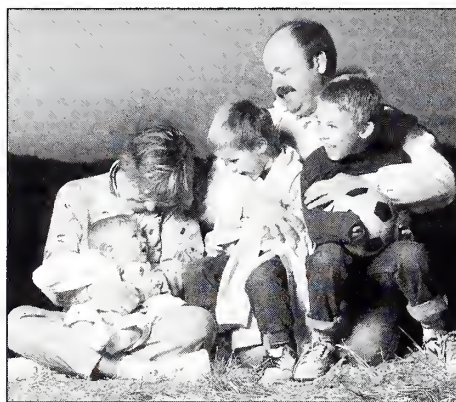
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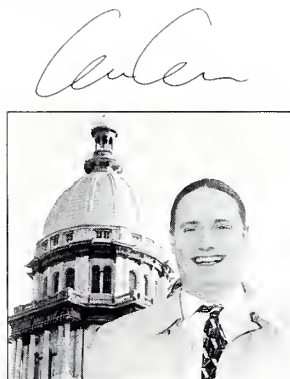
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## The threat posed by heroin is growing in the Chicago region

by Aaron Chambers

Roosevelt Banister has his hands full. As program director for New Age Services Corp., a methadone provider on Chicago's West Side, he practically has heroin addicts banging down his door for treatment.

Without methadone, addicts trying to wean themselves off heroin, a derivative of opium, suffer sweating, aching, cramps, and runny noses and eyes. Essentially, they can't function normally. The synthetic opiate eliminates such symptoms.

In the last year, Banister says the center's waiting list doubled to about 140 people. And he's braced for more.

The threat posed by heroin is growing throughout the Chicago region, fueled largely by increased demand and aggressive marketing by dealers and distributors.

But the epidemic is difficult to track. While last year the Chicago Police Department seized more than twice the amount of heroin it had seized the year before, seizure and arrest numbers are driven by enforcement and don't necessarily quantify the trend. Still, key law enforcement officials agree that a combination of factors shows that the prevalence of heroin in the Chicago area is rising.

"The cocaine has stayed kind of flat or even gone down and the heroin has gone way up," says Thomas Needham,

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*Police and prosecutors are stepping up efforts to fight the spread of heroin. And the General Assembly is moving legislation to elevate sanctions for distributing the drug.*

former chief of staff at the Chicago Police Department. "It's the arrests, it's the seizures, it's the intelligence we get from the [U.S. Drug Enforcement Administration], it's emergency room statistics, it's information we get from our informants. It's definitely a problem."

Police and prosecutors are stepping up efforts to fight the spread of heroin. And the General Assembly is moving legislation to elevate sanctions for distributing the drug. For years, penalties for heroin lagged behind those for cocaine, which gained more attention, and prosecutors believe that discrepancy created an incentive for drug dealers to push heroin.

Cocaine usage still poses a serious threat in the Chicago area. Indeed,

some in the law enforcement community say crack, a form of cocaine that's smoked, is the single largest drug threat facing the city. And the Chicago area leads the nation in cocaine-related emergency room visits per capita, according to the Drug Abuse Warning Network, an agency based at the U.S. Substance Abuse and Mental Health Services Administration.

But cocaine usage in the Chicago region has remained relatively stable and perhaps even subsided. There may be consistently more emergency room visits related to cocaine, according to the agency, but these visits increased only 16 percent from 6,954 in the last half of 1996 to 8,063 in the first half of last year. (The agency cautions that last year's statistics are not yet final.)

Heroin usage, on the other hand, has grown dramatically in recent years. According to the agency, the Chicago area's heroin-related emergency room visits increased 65 percent from 3,649 in the last half of 1996 to 6,011 in the first half of 2001. The most dramatic jump occurred between the last half of 1999 (4,988 visits) and the first half of 2000 (6,109 visits).

The agency ranks Chicago No. 3 in the nation for heroin-related visits per capita, behind Newark, N.J., and Baltimore.

"People got burned out on coke in the 1980s, although to some degree rock cocaine is still probably the most used hard drug in Chicago," says Lawrence Ouellet, director of the Community Outreach Intervention Projects at the University of Illinois at Chicago's School of Public Health. "Heroin just became a good deal. You could get high without much money."

As with arrest or seizure statistics, emergency room visits aren't the definitive measure of the growing heroin threat. One law enforcement official says that heroin-related visits may be up because the higher-purity heroin available now in Chicago is causing more users to overdose. In the 1980s, heroin averaged about 3 percent pure; since the mid-1990s, it's averaged 25 percent pure. Most law enforcement officials, however, agree the statistics do in fact show that more people in the



Chicago area are using heroin.

And that fuels associated problems. For one, the drug trade breeds violence. Street gangs battle each other for control of territory in which to retail their drugs — another challenge for law enforcement officials and communities. Last year, Chicago experienced 666 murders, surpassing New York City as the homicide capital of the nation. Needham, who left the police department in January for a private law practice, says one-third to one-half of those deaths were attributable to gang- and drug-related violence.

“Our murder numbers have gone steadily but slowly down through the 1990s, but our gang- and narcotic-related murders have not gone down that much,” he says. “There’s this almost intractable problem of street gang members killing each other, killing their rivals, that just seems to be almost impervious to a law enforcement solution. They’re the toughest cases to prevent and they’re the toughest cases to solve.”

There are two major components behind the surge of heroin: supply and demand.

And there’s plenty of supply in Chicago as the city is one of the nation’s three major distribution centers for heroin. Traffickers distribute heroin from Chicago throughout Illinois, Indiana, Iowa, Ohio, Minnesota, Missouri and Wisconsin, according to the National Drug Intelligence Center.

Pat O’Dea, an intelligence supervisor at the Drug Enforcement Administration’s field office in Chicago, says it’s the only major city getting heroin from all four of the world’s major source areas. Most of Chicago’s heroin comes from South America, primarily Colombia, but producers in Southeast Asia and Southwest Asia also contribute a substantial portion. To a lesser extent, producers in Mexico contribute.

O’Dea says that makes Chicago’s heroin market harder to crack as the Drug Enforcement Administration must simultaneously run parallel investigations on several continents. In addition, having multiple production and distribution networks helps stabilize the city’s market. “Any time

you get more sources of supply and more competition, you’re going to have lower prices, increased profits, higher-purity stuff hitting the streets and wider availability,” he says.

The region’s heroin market is concentrated in and around the Austin neighborhood on Chicago’s West Side, where drug dealers linger along streets selling their products to motorists and passersby. Police routinely arrest these dealers in their efforts to crush the trade, but the narcotics market in that neighborhood is so saturated that replacement dealers quickly step in.

They have plenty of customers. William O’Brien, chief of narcotics prosecutions at the Cook County state’s attorney’s office, told the Illinois House Judiciary Committee on Criminal Law in February that people flock to the West Side from Cook County, surrounding counties and even Indiana.

The committee voted unanimously in favor of legislation that would make possession of one gram of heroin a Class 1 felony punishable by four to 15 years in prison and a fine of up to \$250,000. The bill also would preclude someone convicted of manufacturing or delivering more than five grams of heroin from receiving a sentence of probation.

“By putting the heroin penalties in line with cocaine and ecstasy, we are removing the technical advantage that the dealers have had for a period of time,” O’Brien told the committee. Rep. Calvin Giles, a Democrat who represents Austin, is sponsoring the bill. As of mid-March, it was pending before the House.

There are additional dynamics to supply and demand. Perhaps most alarming, a fresh generation of heroin users is evolving.

Banister, of the West Side methadone center, says his patients are getting younger. He also says the percentages of Caucasian and Hispanic patients have grown in the three and one-half years since the center moved to its current location near Cicero.

“With the youngsters, it’s supposed to be in vogue now to use heroin,” Banister says. “Some of the rock stars in the papers use heroin. The kids now don’t

think it’s a big deal, but usually when they become addicted we see them.”

The high-purity heroin that’s been available in Chicago for about the last decade can be snorted rather than injected. That option helps make the drug attractive to users wary of contracting HIV or other stigmas associated with intravenous drug use. Still, Ouellet, the UIC program director, and other experts say many new heroin users ultimately turn to injection in their pursuit of a more intense high.

“Snorting is how people get started and that may well be one of the reasons for this latest epidemic,” says Susan Weed, director of the Office of Substance Abuse Policy at the Chicago Department of Public Health. “They start by mixing with cocaine, which is called speedballing. And then they go to heroin and eventually nearly all of them turn to the needle.”

Ouellet says that, based on research he’s conducted and collected, whites, in the city and the suburbs, are most likely among young heroin users to start injecting. African Americans are least likely to begin injecting, and Hispanics fall somewhere between.

A short drive down the Eisenhower Expressway from Chicago’s West Side open-air markets is DuPage County. Three years ago, officials there recognized that teenagers and young adults were increasingly driving into the city to buy heroin. Then they were coming back to the suburbs to get high.

The DuPage County state’s attorney’s office convened a meeting with local and regional law enforcement officials to discuss the situation. Joseph Ruggiero, chief of narcotics prosecutions at the office, won’t discuss specific investigative strategies formulated at that meeting, but he insists that subsequent law enforcement efforts have kept the county’s heroin threat in check. Still, he acknowledges the threat continues to grow, saying there’s more heroin and more heroin-related deaths.

“They do it like a beer run,” he says. “Back in my day someone would get money, go to the liquor store and get beer. Now they collect all their money from their friends and go get heroin, like it’s no big deal.” □

# BRIEFLY

Photograph by James G. Sternburg  
courtesy of the Illinois Natural History Survey

## Deforestation in Mexico threatens Illinois' state insect

**I**llinoisans could see the first of the monarch migrants as early as this month. Typically, they cross the Prairie State in orange and black masses throughout spring and summer, heading north from their winter roosts.

But this year, there may not be as many of North America's most famous butterfly.

This annual 2,000-mile trek by Illinois' state insect has been a source of wonder and mystery to scientists for years (see *Illinois Issues*, June 1996, page 29), and one they have yet to decipher. Illinoisans, and residents of many other states between the Rocky and Appalachian ranges, can watch the migrants fly to and from Mexico and Canada twice each year.

Entomologists will pay even closer attention this year. In early January, a severe weather system moved through the monarch's over-wintering sites in central Mexico. Rain, followed by low overnight temperatures, froze damp butterflies where they roosted. Experts estimate that between 200 million and 250 million monarchs were killed. It's nearly certain they will not be seen in normal numbers throughout Illinois in the coming months.

Mass die-offs have occurred in Mexico before. In 1981, an estimated 2.5 million butterflies died after a storm hit a single over-wintering colony. Again in



1992 and 1995, central Mexico experienced snowstorms that claimed 5 million to 7 million monarchs. A death toll of January's magnitude, however, has never been recorded.

Every year, Mexico hosts approximately 12 over-wintering colonies that roost in the oyamel forests throughout Mexico's transvolcanic belt. One of those colonies lost nearly 80 percent of its population this year.

While acknowledging that 250 million is a loose estimate, Juan Bezaury, director of the World Wildlife Fund-Mexico, says the tally probably will rise after the postmortem fall-down. (Masses of dead monarchs still hang in the forests' canopies.)

But Bezaury, and others working in coordination with the wildlife fund, see much more in this disaster than a sizable body count. They have long argued that deforestation is a bigger threat to the butterflies than inclement weather.

"The weather cycle isn't unusual," says Michael Jeffords, an entomologist at the Illinois Natural History Survey in Champaign. What is unusual, he says, is the absence of significant forest canopy to protect the monarch colonies from precipitation and frost. "If the forest had been intact, it would have been much less drastic."

In an effort to save the monarch's

Mexican habitat, the World Wildlife Fund has collected \$6.25 million to pay landowners not to log or farm. And the organization is aiming to raise \$20 million to stop illegal logging of established preserves, to turn farmland back into forest and to establish a permanent police force to monitor public land.

Experts say there are some things Illinoisans can do to protect butterfly habitat closer to home. John Bouseman, a scientist at the Illinois Natural History Survey and co-author of the *Field Guide to Illinois Butterflies* (see *Illinois Issues*, July/August 2001, page 34), says almost all Illinois residents could plant a butterfly garden full of nectar-bearing plants. And he hopes some will plant larval host plants, such as milkweed, for the monarch, but he admits "that's pretty specialized stuff."

Jeffords adds, "There's nothing you can do in Mexico except lobby against deforestation. Up here, you can plant pesticide-free milkweed or lobby against calling it a 'weed.'"

Volunteers along the migration route can help scientists track the monarchs. The University of Kansas Entomology Program in Lawrence has a Web site ([www.monarchwatch.org](http://www.monarchwatch.org)). Another useful site, sponsored by the Annenberg Foundation/Corporation for Public Broadcasting, is [www.learner.org/jnorthspring2002/speciesmonarch/index.html](http://www.learner.org/jnorthspring2002/speciesmonarch/index.html).

Most of the drama surrounding the fate of the monarch has and will occur outside Illinois. The impact of the die-off will be calculated this summer in Canada with a count of survivors. And efforts will continue to preserve the over-wintering oyamel forests in Mexico, which Bezaury says could take two to three years. Ultimately, that could be the most important effort for the monarch.

"I'm an optimist," Jeffords says, "but if you cut all the forests down, the end is near."

Ryan Reeves



## HARD CHOICES

### Groups suggest state budget alternatives

To help cope with a widening state budget shortfall, Gov. George Ryan called for laying off state workers, closing prisons and mental health centers and slashing payments to health care providers.

But the gap could be bridged by increasing state resources available for programs now facing the budget axe. Human service advocates, Medicaid providers, public employee unions and public interest groups are among those calling on the governor and the legislature to consider alternatives.

In particular, the Center for Tax and Budget Accountability, a nonpartisan think tank, has proposed a number of options to avert deep cuts by enhancing revenues, protecting current receipts or shifting money within the current budget. Among the steps that have been suggested by the center and others:

- Hiking the cigarette tax. A 42-cent increase, to \$1 a pack, would generate an estimated \$318 million more in cigarette taxes, according to the Illinois Coalition Against Tobacco. That would have the added public health benefit of deterring smoking, particularly among youngsters. Tobacco industry spokesmen, though, contend higher taxes will lead to more bootlegging and lost sales of other items at stores near the state's borders, undercutting the potential revenue gain.
  - Increasing tax rates on riverboat casinos. The current graduated rate structure runs from 15 percent of annual adjusted gross receipts for boats taking in \$25 million a year or less up to 35 percent for boats taking in more than \$100 million. If rates were boosted 5 points, as the center proposes, to run between 20 percent and 40 percent, the state would receive \$90 million more a year.
  - Declaring a tax amnesty. Ryan has proposed, and lawmakers are considering, setting a window of a couple of months during which delinquent taxpayers could pay what they owe without penalty. A 60-day amnesty in 1984 brought in some \$150 million
- in bad receivables. The governor built \$35 million in amnesty money into his revenue estimates for next year; the center estimated that the take could be as high as \$298 million, depending on how the amnesty is structured.
  - Separating the state's corporate income and inheritance taxes from federal law to avert revenue losses due to federal changes. The business tax breaks in the economic stimulus package enacted last month will cost Illinois an estimated \$250 million next year because state corporate taxes are based on federal taxable income. School districts and other local governments stand to lose \$150 million more. Similarly, the repeal of the federal estate tax will cost the state \$90 million, because Illinois' inheritance tax is tied to the federal levy. Those revenue losses could be averted, however, if state law were changed to decouple Illinois' tax liability from the federal provisions.
  - Repeal some business tax breaks. Cutting back "unnecessary corporate loopholes" would generate an estimated \$201 million more next year, the center said. Its proposals included changing the way multi-state companies must calculate their income taxes, reducing the period during which companies can offset current income with past losses, paring back the discount retailers are allowed on sales tax remittals and eliminating subsidies for the horse-racing industry.
  - Changing the way the state pays for prescription drugs for the poor, the disabled, low-income seniors and others. Currently, the state buys prescription drugs through various programs in several agencies. If the state were to pool its purchases and negotiate volume discounts similar to those provided to the federal government, other states and large HMOs, costs could be cut by some \$158 million annually, the center estimates.
  - Forgoing member initiatives. Ryan's proposed budget for next year includes \$112 million for local projects, money that is expected to be left unspent from prior years. Critics

have lambasted pork-barrel spending while essential services suffer, but so far legislators have shown little interest in giving up their district piggy banks.

Beyond the state's current budget crisis, though, Illinois' tax system needs reform, according to a recent study by the Institute on Taxation and Economic Policy, a national research organization, which concluded that Illinois' tax system is out of balance, especially in its heavy reliance on "regressive local property taxes" to fund public services. Moreover, the study said, "the state's use of regressive sales and excise taxes means that low-income Illinoisans face the highest tax burden, as a percentage of their income," and "loopholes in the income tax, sales tax and property tax base mean that some taxpayers receive special tax breaks, shifting the burden to other taxpayers."

To remedy the perceived imbalance, the study's authors suggested a variety of reforms that could be tailored to bring in more money, to cut taxes or to be revenue neutral.

The state income tax could be made less regressive, the study said, by adopting graduated rates, by increasing personal exemptions and by eliminating some of the existing tax breaks, such as credits for property taxes and school tuition, which benefit only certain taxpayers.

To ease the property tax burden, the study noted, homestead exemptions could be increased, thus lowering a home's value for tax purposes, and renters could be given an income tax credit equal to the portion of their rent going to pay the landlord's property taxes. Lost revenue to schools and other local governments could be made up by raising income tax rates or broadening the sale tax base, as various tax swap plans have proposed in the past.

"Long-term imbalances in the Illinois revenue structure hurt low- and middle-income Illinoisans directly, in the form of an oppressively high tax burden on the low-income taxpayers who are least able to afford it, and indirectly, by reducing the state's ability to fund important government services in the long run," the study concluded.

Charles N. Wheeler III  
director, Public Affairs Reporting Program,  
University of Illinois at Springfield

## Legi checklist

State lawmakers are shifting their attention from the campaign trail to the state Capitol. But the final weeks of the spring session will be consumed largely with constructing the fiscal year 2003 budget. Still, senators have introduced 876 bills and representatives have introduced 3,537 bills since January. Most are little more than titles — so-called “shell” bills that may be used later for last-minute substantive proposals. Here's a sampling.

### ✓ **Death penalty**

Gov. George Ryan's capital punishment commission, convened more than two years ago when Ryan called a moratorium on executions, was still completing its review of the state's capital punishment system as of mid-March. But lawmakers already are considering changes in the death penalty law.

They failed to override Ryan's amendatory veto of legislation that would, among other things, make terrorists

who murder eligible for death (see *Illinois Issues*, March, page 9; January, page 12). However, the Senate approved a measure similar to the vetoed bill that includes the death-eligibility provision. That measure is pending in the House.

Separate legislation pending in both chambers would preclude the state from executing the mentally retarded. Meanwhile, the U.S. Supreme Court is deciding in *Atkins v. Virginia* whether that practice is constitutional. Another measure pending in both chambers would direct the Illinois Criminal Justice Information Authority to study whether the ultimate punishment has been proportionally implemented. Criteria would include race, ethnicity and gender of each defendant and victim.

### ✓ **Juvenile justice**

Since the late 1980s, lawmakers in Illinois and other states have cracked down on juvenile crime by requiring that certain young offenders be transferred to adult court where they face adult conviction and sentencing. One House

measure is designed to reverse that trend, at least in part. The bill would permit a juvenile prosecuted for a drug crime to petition the court to be transferred back to juvenile court for adjudication and sentencing.

### ✓ **Prescription drugs**

Adding to a host of legislative proposals aimed at reducing the cost of prescription drugs, the Senate Republican caucus proposed its own plan. The bill would establish a toll-free hotline so seniors could get information about qualifications for drug discounts. The plan also would commission a study to determine the need for catastrophic drug coverage for those seniors who don't qualify for public discount programs but are highly dependent on prescription drugs.

### ✓ **Judicial campaigns**

Campaigns for high courts in Illinois and other states have in recent years become more expensive, with special interests playing a greater role in financing. Two years ago, several candidates for the Illinois Supreme Court spent more than \$1 million each. Legislation pending in both chambers would permit high court candidates to apply for public money to fund their campaigns. The proposed law would limit private contributions to candidates who qualify.


### ✓ **Wetlands**

Environmentalists have tried before to convince lawmakers to protect wetlands that aren't protected by the federal government. They're trying again. Legislation pending in the House would regulate activities on such land. The bill also would establish criteria for issuing permits for regulated activities and provide penalties for violations.

### ✓ **Starving hens**

Commercial egg producers sometimes withhold food or water from egg-laying hens to increase or extend egg production. Legislation pending in the House would prohibit that practice, called forced molting, and would make violation a misdemeanor.

Aaron Chambers




They're in there.  
Talking about something.  
But sometimes, talking  
isn't the problem.

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that's difficult.

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Stay curious 



## Bookshelf Creating the Lincoln icon

By rights, Richard Oglesby's resume is strong enough to win him his own place in history: distinguished Civil War general, early stalwart of the Republican Party, state senator, U.S. senator and three-time governor of Illinois. But a new Oglesby biography focuses on how his life, career and legacy constantly intertwined with his contemporary, Abraham Lincoln, a connection he couldn't (or wouldn't) shake, even after the president's assassination in 1864.

Mark Plummer's *Lincoln's Rail-Splitter*, published by the University of Illinois Press, gives nearly as much detail surrounding creation of the Lincoln mystique as it does about the life of Richard Oglesby, one of the earliest creators and longest political profiteers of that mystique.

Lincoln and Oglesby were both Kentucky-born, "harum-scarum" kids who spent time in Indiana. Both had what Oglesby referred to as a "less than common school education," but both rose to respectable professions by reading law in Springfield. Both were Whigs who transformed themselves into Republicans.

The Macon County Republicans put the well-spoken Oglesby in charge of the 1860 state convention in Decatur. That convention would nominate Lincoln for president; days later, the national convention in Chicago would follow suit. Oglesby decided to use the reliable tactic of casting the by-then accomplished Lincoln as an "every-man." He contacted Lincoln's mother's cousin, John Hanks, for information about the candidate's humble beginnings. Hanks led Oglesby to a clearing near Decatur, where 30 years before he and Lincoln split wood to make fence rails. It was odd, but it was the image Oglesby needed. Oglesby secreted some of the planks back to Decatur, and, in an early example of the sort of planned spontaneous events that have become staples of modern political conventions, Oglesby



brought forth the rails — tangible objects that proved Lincoln at heart was a man "of the people." At that Decatur convention, Oglesby coined the phrase "Honest Abe" and developed the "rail-splitter" image. Those icons obviously benefited Lincoln.

But, as Plummer shows, the very act of creating those Lincoln icons defined the course of Oglesby's life. Whatever his achievements, and they were considerable, Oglesby would be connected to the rail-splitter forever.

He would receive a near fatal wound in Lincoln's Civil War and carry a minie ball in his chest for 37 years. As a staunch Lincoln man, he would be elected governor in 1864. In that capacity, he would travel to Washington, D.C., on April 14, 1865, to visit with Lincoln on state business. The president would delay his dinner to regale the Oglesby party with a few chapters of a Petroleum V. Nasby satire, and later that evening Oglesby would stand watch over the president as he died. Oglesby would accompany the body to Springfield, be placed in

charge of the committee to erect the Lincoln monument and deliver the keynote address at its dedication in 1874. And, when Oglesby died, Gov. John Riley Tanner would order that the flag that had covered Lincoln's coffin be taken from the state museum and draped over Oglesby's.

Plummer's work shows that if Oglesby was Lincoln's peer at electioneering, he was certainly not the politician Honest Abe was.

By all accounts, Oglesby was great on the stump, often holding audiences for two hours at a stretch. He never wrote his campaign speeches. Instead, he relied on his keen instinct with an audience. Once in office, however, Oglesby's stingy record at dispensing patronage jobs and his failure as a "wire puller" almost thwarted his advancement.

Perhaps the saddest irony of Oglesby's life is that the man who was instrumental in creating the Lincoln icon couldn't do the same for himself.

Rodd Whelpley

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## RISING STAR

### A coal company reclaims nature

For nearly 20 years, Gallum Creek and Bonnie Creek were forced to take a detour around Burning Star No. 4 strip mine in Perry County.

But after Consolidation Coal Co. stopped mining in 1997, it began major restoration of the land — and the creeks. Now it has won a state award for those efforts.

The Illinois Department of Natural Resources recognized the Sesser-based coal operation with its 2002 Mined Land Reclamation Award for returning the north field of Burning Star No. 4 to a natural state. The company restored Gallum and Bonnie creeks, including rock riffles and log current-deflectors, and rebuilt the floodplains. The department says the water quality is comparable to the time before the company diverted the creeks, and stream samples show that normal populations of vertebrate and invertebrate species are thriving.



In addition to the restored creek channels, Consolidation Coal created 59 acres of wetlands with 24 islands that provide safe nesting sites for waterfowl and other wetland species. It planted nearly 350,000 trees and created brush piles along the creeks. As an added incentive to lure new inhabitants, it also built and installed nesting boxes for wood ducks. The state has purchased more than 16,000 acres of mined land next to Burning Star No. 4 that is protected as part of Pyramid State Park, now the largest state park in the system.

Consolidation Coal, a subsidiary of Pittsburgh-based CONSOL Energy, earlier won a reclamation award for its Burning Star No. 5 Mine in Jackson County. That restored area now is a favorite wintering spot for the rare trumpeter swan, the largest bird in

North America. This past winter a record 71 swans made the 6,000-acre gated area north of Carbondale their home. In 1995, as few as seven trumpeters wintered there. Once on the brink of extinction, the trumpeter swan has been reintroduced into historic nesting grounds in Minnesota and Wisconsin and now numbers around 2,400 east of the Rocky Mountains, according to the U.S. Fish and Wildlife Service.

Southern Illinois University graduate students are monitoring the trumpeters that have chosen the reclaimed strip mines as their winter home. The research is supported by the Federal Aid in Wildlife Restoration program, with cooperation of the state Department of Natural Resources and the university.

*Beverly Scobell*

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- Demonstrated a commitment to policies and programs that foster effective human and organizational relationships, including equality of opportunity.
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- Mail to: *Illinois Issues*, Building HRB-10; University of Illinois at Springfield; P.O. Box 19243; Springfield, IL 62794-9243.
- Supporting evidence (such as newspaper articles) is also very helpful to the selection committee.

**Deadline for nominations is May 17, 2002** (copies of this form accepted)

**The awards luncheon is September 25, 2002, at the Four Seasons, Chicago**

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# Risky business

Illinois' biotech industry will need venture capital and great minds.  
What can government do to foster this entrepreneurial culture?

by Aaron Chambers

NeoPharm Inc. has big plans for fighting cancer. And some representatives of this state's biotechnology community have high hopes for NeoPharm. In fact, the regional biotech industry's long-term stability, not to mention its growth, could depend on such a firm's success.

And NeoPharm appears poised to meet expectations. The Lake Forest company's scientists pair existing chemotherapeutics with lipids, or particles of fat, which protect the drug from the body's natural defenses against foreign invaders and appear to tumor cells as a potential source of nutrition. This much is not new; lipids already have been used to transport drugs. But NeoPharm has moved a step forward: The company is taking advantage of a drug's naturally occurring electrical charge and giving lipids the opposite charge, ensuring that the substances attract. The resulting entity, say NeoPharm officials, is more stable.

"What you're doing in terms of developing these drugs is taking something like paclitaxel or mitoxantrone or another cancer drug that everybody knows works and putting it into a new delivery vehicle to improve the delivery of the drug to the tumor," says Larry Kenyon, NeoPharm's chief financial officer. "What we see is [that] by getting more drug to the tumor, you get less

side effects from the chemo. And there's the potential to give more drug, which can lead to better efficacy."

This NeoPharm product, called an electrostatic liposome encapsulation platform, is still in the development phase and has yet to be approved for

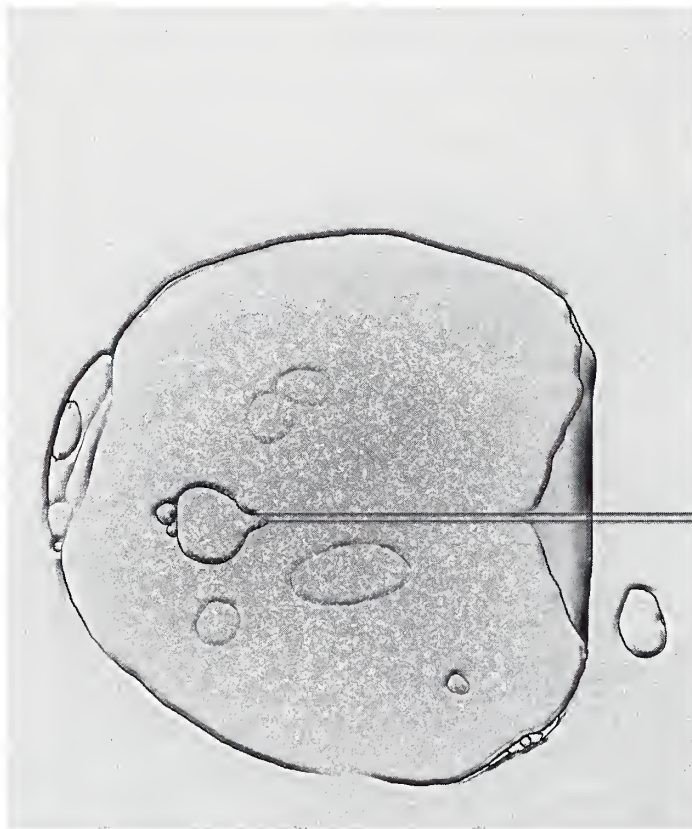
rise to the top of this emerging field. Beyond the liposome encapsulation platform, the firm has other cancer-fighting tools in the pipeline that give it even more promise to become a regional success story. That's unusual. Most biotech entrepreneurs have one product, and they spend every penny to get that product through research and development and onto the market, a process that can take 10 years or more.

"We've kind of hedged our bets, and we feel that the more shots you have on goal, the better chance you have to score," Kenyon says. "And we've got technology that we think is reusable, evergreen so to speak, where you can just drop multiple products into it and get advantages over existing chemos."

The nation's biotech industry is flourishing. Applications have moved beyond health care to such industries as agriculture, chemical production and environmental management. That means more jobs, revenue for states, and, in the case of health care, the promise of better

pharmaceutical drugs as baby boomers approach their golden years.

Illinois' biotech industry also is growing. Investors are risking more dollars in the race to commercialize new technologies that are being developed in universities and other research institutions. Chicago-based Litholink



use by the U.S. Food and Drug Administration. Kenyon says it's three or more years away from the market.

But the firm already is getting a lot of attention in the Chicago-area biotech community, which is searching for a much-needed industry star. And NeoPharm has plenty of potential to



Corp., for example, is extending kidney stone treatment and prevention techniques to urologic and internal medicine practices to reduce the recurrence of stones. Vysis Inc., a Downers Grove biotech firm, produces tests that aid medical laboratories in the early detection of cancer and genetic disorders. Lake Forest-based DOR BioPharma Inc. is developing oral drug delivery devices and compounds for drugs that previously had to be injected.

But this state's industry is modest compared to counterparts in California's Silicon Valley and Boston — the nation's two major biotech centers. Of some 1,500 biotech firms nationwide, only about 70 are based in the Chicago area, according to the Illinois Biotechnology Industry Organization.

Moreover, some biotech firms are fleeing Illinois to other states, including Michigan, which has pledged to spend \$50 million a year for 20 years to support biotech startups. New Jersey permits biotech firms, which tend to operate in the red during their infancy, to "sell" their operating losses to other companies, which in turn can write off the losses on their taxes. And struggling biotech companies get cash — at least 75 cents on the dollar — to fund operating expenses.

Some of this state's industry players worry biotech firms will continue to flee Illinois if they aren't offered similar startup incentives.

"There are many things that are happening now in Chicago, and, for the first time, I am feeling some hope," says Alicia Loffler, director of Northwestern University's Center for Biotechnology. "But the windows close very fast."

Like others in the Chicago-area biotech community, Loffler says the region is failing to retain quality biotech managers because they're attracted to the biotech bastions on the West and East coasts. In addition, Loffler and others argue that investment in this state's biotech community has been inadequate because investors tend to follow industry clusters.

Yet venture capital investment in Illinois' biotechnology is consistent

with overall investment in the state: The capital pools on the coasts are simply much larger than in Illinois. According to the National Venture Capital Association, venture capital firms nationwide had \$209.8 billion invested or available for investment at the end of 2000. That includes \$81.9 billion in California, \$37.2 billion in New York, \$34.2 billion in Massachusetts and \$4.2 billion in Illinois.

The good news for biotech and medical health firms is that their share of venture capital bumped up significantly during 2001. That share was 7 percent for 2001 overall, but 18 percent in the year's fourth quarter, according to statistics compiled by the venture capital association Venture Economics and PricewaterhouseCoopers.

"It's a chicken and egg issue: What's more important, the managers and investors or the technology? In general, if you have the technology the managers and investors will come," Loffler says. "So the question is whether we have the technology here and whether the technology is attractive. And that's why I'm a little bit hopeful here."

There are other reasons to be hopeful that this state's biotech community will thrive. In 2006, Illinois will host the national Biotechnology Industry Organization's international conference at Chicago's McCormick Place convention center. The event is expected to attract 25,000 participants.

In addition, Gov. George Ryan's two-year-old VentureTech program was designed to spend \$1.9 billion on technology initiatives over five years. But the dollars aren't all earmarked for biotechnology, and it's not clear how much will be spent on that industry. Some VentureTech funds will be used to expand Chicago Technology Park, a laboratory facility located on the city's Near West Side in the medical district that houses nascent biotech firms and other startups. There currently are 40 labs.

The governor's proposed budget also includes \$67.5 million to complete construction of a post-genomics institute at the University of Illinois' Urbana-Champaign campus that will aim to further agricultural and

medical genome research.

"Before Gov. Ryan was here, there wasn't any investment in biotech, or technology for that matter," says Pam McDonough, director of the state Department of Commerce and Community Affairs. "To some degree, are we playing a little bit of catchup? Absolutely. But that doesn't mean we're not positioning ourselves to be front-runners on some other areas. Biotech is a pretty broad base, and any state that thinks they're going to be everything to everybody is really grossly overstating what their capabilities are."

McDonough says the state is taking a more holistic approach to fueling technology growth. Grants in her department's proposed fiscal year 2003 budget, which begins July 1, include \$13 million for a rare isotope accelerator at Argonne National Laboratory near Lemont, \$5 million for a biomedical research building at the Illinois Institute of Technology in Chicago and \$15 million for a biomedical research building at Rush Presbyterian St. Luke's Medical Center in Chicago.

"I think we're trying to be strategic and focused in what we're going after and where we think our assets are the strongest," she says.

To be sure, Illinois does claim a diverse industrial economy with strong capabilities in several sectors. A report completed last year by consulting firm SRI International of Menlo Park, Calif., for the state commerce department identified 10 "high potential niche industries that offer major growth potential," including financial services, telecommunications and biotechnology.

"The industry diversity of Illinois is viewed as both a strength and a weakness. On the one hand, diversity has provided the state with a robust set of economic activities that allow for balanced growth and cushion the economy during cyclical downturns in specific sectors," the report said. "On the other hand, Illinois has not benefited as much as certain states in the rapid spurts of growth witnessed in 'gazelle' industries (e.g., biotech) that are highly publicized in the media."

***"It's difficult to know which thing to pull on first," says Alan Thomas, director of technology transfer at the University of Chicago.***

There are those in the Chicago-area biotech community who contend that's because government support has been insufficient. "If a state or city makes a determination that they want to be a biotech center, then they would make available to the sector either moneys or support for the companies' different needs," says Michael Rosen, vice chair of the Illinois Biotechnology Industry Organization and president and chief operating officer of DOR BioPharma. "That's the issue: Do Chicago and Illinois want to be a biotech center?"

And there's the much-needed regional industry star. If NeoPharm or another nascent biotech firm enjoys great success, that would propel Chicago onto the nation's biotech map. The success likely would attract capital as well as talent to the catalytic firm and the industry as a whole. And the industry would spawn alumni who would go on to form their own businesses.

"I think Chicago is eminently well-poised to start becoming a major center. It's got these great universities. It's got the big national laboratory. It's got big companies. It's got a diverse and well-educated population," says Steve Lazarus, a managing director at Chicago-based venture capital firm Arch Venture Partners, which invests heavily in biotechnology. "What it needs, in my judgment, to light the spark is a demonstration-proof company — one good successful company. And we just haven't had that yet."

For the Illinois biotech community to flourish, there needs to be a conflu-

ence of events. Universities and other research institutions such as Argonne will need to continue to advance the science. And those research institutions will need to continue to move advances toward the marketplace. Ambitious entrepreneurs will need to continue to usher them through research and development, which can take years and several million dollars for even a single drug. Venture capitalists, investors who target startups at the early stages, will need to continue to back biotechnology. And federal, state and local governments will need to continue to provide research grants, tax breaks and other incentives to Illinois-based firms.

Ultimately, whether or not the Illinois biotech industry expands or contracts will depend on how well those factors work together.

"It's difficult to know which thing to pull on first," says Alan Thomas, director of technology transfer at the University of Chicago. "The venture capitalists will say they can't invest here because there aren't enough entrepreneurs. The entrepreneurs say they can't work here because there aren't enough venture capitalists. If there's enough of both, then they say they can't actually find the space to rent to operate, or they can't find the legal help or the accounting help. So it's a question of trying to jumpstart that process on multiple fronts."

***Technology transfer*** is the process by which innovations are moved from the research arena to the marketplace. As such, Thomas and other technology transfer officers are responsible for identifying promising advances in the research phase. Then they help secure patent protection for the advances and find entrepreneurs to take them through development to the marketplace.

In the case of biotechnology, drugs must go through several phases of clinical trials before the Food and Drug Administration will sign off. Thomas says for every drug that gets approved and makes it into the marketplace, biotech companies spend about \$800 million trying to develop some 1,000 drugs.

Most of the drugs created in

research institutions are in such early stages of development that big pharmaceutical companies won't touch them. So the biotech community has become a virtual research and development laboratory that takes the drugs along the development path, deleting some of the risk involved. In the later stages of development, the biotech firms can license the drugs to the pharmaceutical companies for production and distribution.

But moving drugs from the university to Chicago-area biotech firms, Thomas says, can be difficult because there are not nearly as many firms jockeying for new developments as in Boston or Silicon Valley. "One of the things that would greatly assist the efficiency with which the universities and the research institutions are able to do this is if there is a flourishing biotechnology industry in the region," he says.

That's another chicken-and-egg scenario: Quick technology transfer depends on a thriving biotech community, but the biotech industry depends on increased technology transfer. A report completed last August for the city of Chicago by consultants from McKinsey & Co., a New York-based firm, said the rate of technology transfer must be increased in order to spark development in biotechnology and other high-technology areas such as software development. The report said the region's major research universities license fewer technologies, launch fewer businesses and offer less assistance in building businesses than the national average. The University of Chicago, which has had its technology transfer program for years, was the exception.

The report said that "among the hindrances to the commercialization of technology is a heavy focus on longer-term pure research among professors, researchers and students."

The report urged the high-tech industry to work with state and federal governments to increase research funding. The industry also must identify barriers within universities that hinder commercialization of technology and solicit funding from private and public sources to beef up research facilities and attract research professors, the report said.



"If you look at the University of Illinois, Northwestern University or the University of Chicago, these are some of the best minds in the world, and a lot of these minds have gone to other settings, where they've been able to take their ideas and commercialize them," says Dennis Vicchiarelli, business development director at World Business Chicago, a public/private entity working to expand high-tech industries in the Chicago area. "Everybody wants to know why those ideas haven't been commercialized here. So all the programs in the state basically are taking a serious look at how to better utilize their scientific minds, how to make it easy for them to be more entrepreneurial."

Vicchiarelli acknowledges the Chicago-area biotech industry is behind those in Silicon Valley and Boston, but he disputes claims that the Chicago area lacks sufficient talent or capital to support biotechnology. Instead, he suggests, the region lacks the entrepreneurial spirit found in other regions of the country.

**So how does government** foster an entrepreneurial culture? Vicchiarelli says that comes down to marketing and networking. World Business Chicago, chaired by Chicago Mayor Richard Daley, is marketing the Chicago-area's biotech industry. And strong industry organizations such as the Illinois Biotechnology Industry Organization are assisting in the exchange of ideas, talent and capital.

"There's a lot going on here but the ships are sort of passing in the night," Vicchiarelli says. "And we're trying to set up a lighthouse, a point of reference that these guys can sort of touch base on."

As for a biotech star, Vicchiarelli invokes a baseball analogy. "A home run would be nice; it's one swing of the bat," he says. "But at the same time, I'm not counting on it. There's a lot of people hitting singles here. And who's to say you can't win the game playing singles. Our focus is making sure people get to bat." □

## Small science, big payoff

*"The principles of physics, as far as I can see, do not speak against the possibility of maneuvering things atom by atom. It is not an attempt to violate any laws; it is something, in principle, that can be done; but in practice, it has not been done because we are too big."*

—Quantum physicist Richard P. Feynman  
speaking in 1959 at the annual meeting  
of the American Physical Society

Think small. Then think big. Scientists are reinventing matter one atom at a time. And Illinois could be at the center of this evolving technology.

Nanotechnology promises to be the next great frontier in science. By manipulating matter at the molecular level, scientists hope to revolutionize health care, as well as every conceivable industrial sector.

Nanotechnology is based on the nanometer, which is a millionth of a millimeter. Using basic chemistry, atomic-force microscopes, lasers and other engineering tools, scientists now are working on that scale to miniaturize biodetection tools and therapeutics, as well as other products.

Nanosphere Inc., a Northbrook-based startup, is capitalizing on one application that was developed at Northwestern University in Evanston. By using nanoscale gold particles, the firm is developing a tool that, if successful, will permit doctors to test DNA more easily for viruses or genetic predisposition to disease.

"It's very simple and elegant, and yet incredibly compelling because, essentially, it's going to enable point-of-care detection for infectious diseases and genetic conditions and things like that," says Vijaya Vasista, Nanosphere's chief operating officer. "It enables that because the technology is miniaturized; it's more sensitive and selective."

DNA could be collected from saliva or blood. Testing the sample should take about 30 minutes. "That probe can detect anything you want it to detect by the DNA, whether it's a bacteria, a virus or a human genomic condition," Vasista says. "Anything that can be detected by DNA is what DNA probes can find."

As yet, no city or state has been recognized as the nanotech capital, but such recognition would mean jobs, revenue and prestige.

Several other Illinois research institutions are developing nanotech applications, including the University of Chicago, the University of Illinois at Urbana-Champaign and Argonne National Laboratory near Lemont.

State officials are trying to fuel that research in an effort to push Illinois ahead of the game. The Department of Commerce and Community Affairs' proposed budget for fiscal year 2003, which begins July 1, includes \$17 million for nanotech research at Argonne.

"We've got a lot of critical mass in terms of U of I, U of C and Northwestern, just the mix of academic and research facilities that we have," says department Director Pam McDonough. "When all cylinders are shooting on the right level, I think it will be tough to beat us."

Aaron Chambers

# How fast is this train coming?

Rail planners have long dreamed of high speed passenger service in the Midwest. But the plan rests on shaky financial and political foundations

by Charlie Schlenker

Photographs courtesy of the Illinois Department of Transportation

**A**mtrak's high speed Acela Express whizzes along a stretch of track between New York and Washington, D.C., at 135 miles per hour. Passengers read or work on laptops in seats as large as those found in first class airline cabins. The train drops them off just a couple of blocks from Capitol Hill without the hassle of baggage handlers and long cab rides to and from the airport.

Rail planners hope to bring this comfort and convenience to travelers in the Midwest. But the dream has been a long time coming. Plans for a high speed rail corridor serving the center of the country are more than a decade old; it could be at least another 10 years before they're fully realized in Illinois and nearby states.

Even before they could leave the station, fast trains rested on shaky financial and political foundations. Development of high speed service has been dependent upon partnerships between the states and chronically cash-short Amtrak, the nation's passenger rail carrier. Because many state and federal lawmakers have been critical of Amtrak's efficiency and management practices, the carrier has never found it

easy to get plentiful operating support, let alone capital funding.

In fact, Amtrak CEO and President George Warrington recently resigned amid contentious debate over the future of the financially troubled railroad. Warrington's surprise departure in early March came only a day after he testified before a U.S. House Transportation subcommittee. According to an Associated Press report, he called for "sustained federal commitment to build the kind of passenger rail system Americans need and want." Warrington had threatened to cut long distance trains unless Amtrak receives \$1.2 billion in federal funding next year.

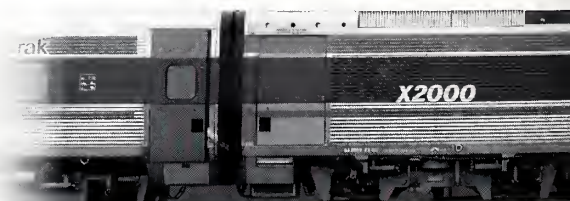
The continuing furor over Amtrak could further decelerate the pace of high speed rail planning.

In its present form, the plan for Midwestern high speed rail, with a projected cost of \$4.1 billion, would span nine states, including Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Nebraska, Ohio and Wisconsin. It promises to link city centers with airports and link cities across states. And it promises to accomplish this with dramatically

lower travel times.

In Illinois, for example, the St. Louis to Chicago trip would take less than four hours, a reduction of about two hours, and the Springfield to Chicago trip would take about two hours, down by an hour and a half. The travel time between Chicago and Detroit would drop from five hours to three and a half.

When they are up and running,





though, Illinois' fast trains aren't expected to match the speeds of those on other routes. And those speeds can be considerable. European trains are widely expected to break the 200-mile-an-hour barrier within the next few years. Amtrak's Acela briefly hits 150 miles an hour between Boston and Washington, D.C.

But Gary Williams, chief of the Illinois Department of Transportation's Bureau of Railroads, says the federal government requires separation of roads and tracks when trains run at those higher speeds. The high financial, social and political costs for high speed rail, he says, include the disruptions grade separations could mean for communities and commerce. The technological limits of some sections of older and curvier track are a consideration, as well. The top speed along the St. Louis to Chicago corridor will be 110 miles an hour, with an average speed over the length of the trip of 71 to 77 miles per hour, according to the transportation department.

Still, Rick Harnish, director of the Midwest High Speed Rail Coalition, an advocacy group that lobbies Congress, says 110 miles per hour once in a while would be enough of an improvement to make trains competitive with automobiles. Further, Harnish and other promoters of fast trains believe high speed service would cure many of the problems critics have with the passenger rail system: poor on-time performance, lack of an attractive schedule and inconvenience.

Indeed, former Amtrak head Warrington has said frequency would be as important as favorable trip times in generating significant new ridership. Each day, there are 48 departures from 30 Illinois communities, and, over the course of a year, some three million passengers climb aboard. Amtrak officials expect higher speeds will mean

an increase in the number of arrivals and departures — and a subsequent increase in passengers.

For example, Amtrak expects to gradually increase the number of daily round trips from three to nine on the St. Louis to Springfield to Chicago route, one of three designated high speed corridors in Illinois. The other two designated corridors are Carbondale to Champaign to Chicago, where two scheduled daily round trips would increase to five, and Quincy to Galesburg to Chicago, where daily round trips would increase from one to four. Meanwhile, passengers traveling between Chicago and Milwaukee



*The fast train from the inside out*

would see their options go from seven to 17 scheduled trains. The number of round trips between Chicago and Cincinnati would increase from one to five; the number between Chicago and Minneapolis would increase from one to seven; and the number between Chicago and Cleveland would increase from three to eight.

Illinois transportation Secretary Kirk Brown believes the expected additional passenger revenues would be enough to cover the state's \$10.3 million annual Amtrak subsidy for some lines.

High speed coalition member Harnish argues there would be other economic payoffs. He cites the experience of Dowagiac, Mich. Even the mere prospect of high speed service two stops out of Chicago on the line to Detroit, Harnish says, has spurred an increase in apartment rentals and

business starts in that community's deteriorating downtown.

Yet a lot will have to happen before high speed service can become a reality in Illinois. Work is progressing on the St. Louis to Chicago corridor, which economic and political analysis has shown is the most likely to generate new ridership and legislative support. But there are hurdles to overcome. A major concern is the freight trains that clog the Chicago area and slow passenger service. U.S. Sen. Dick Durbin quips that the cross-country timetable for freight is "two days from the East Coast to Chicago, two days to cross Chicago and two days to the West Coast." Aside from its potential impact on high speed service, Brown calls the logjam "one of the most significant economic problems facing the state that will take hundreds of millions of dollars to fix." It appears intractable, he says, because freight companies are unwilling to make changes that might help competitors. And government, he believes, is not in a position to compel a solution.

But one way to speed passenger travel would be to bypass the existing Amtrak route from Springfield to Chicago and use other tracks between Dwight and Kankakee. That also would enable passengers to stop at the prospective airport at Peotone. Another possibility would be to shift to other tracks between Joliet and Chicago. Transportation officials say there is little incentive to make a decision on either of these alternatives until money becomes available, ownership of some track lines settles and state leaders decide the fate of the third Chicago-area airport.

Meanwhile, Lockheed-Martin is developing a so-called "positive train control system," which uses global positioning technology, wireless communication, computers and track sensors to better schedule trains and switch them from track to track, allowing faster speeds and fewer slowdowns without fear of collisions.

The state's \$12 million contribution to develop the system has leveraged



\$28 million in federal and \$20 million in private funds. Workers will start testing the combination of technologies in late spring. If they stay on schedule, next year the state will ask for federal approval to operate the system.

But there are other technological issues. Officials will have to upgrade track on the St. Louis to Chicago corridor so that it can safely carry faster trains. The transportation department's Gary Williams says this spring and summer workers will spend a second construction season replacing rail ties on the Springfield to Dwight stretch, strengthening the bed, pouring concrete crossing lanes and installing special gates at 69 rail and auto intersections where trains will hit speeds of 90 miles per hour or more.

The fast trains will need better engines, too, and the state is evaluating two design proposals to that end. Brown says Amtrak has agreed to pay for half of the \$120 million approximate cost of five or six new locomotives capable of operating at 110 miles per hour. They are slated for use on the corridor between St. Louis and Chicago. Even after the state has chosen a prototype, he says, it will be three years before the company delivers the new trainsets. By fall, though, Williams says the state wants to begin testing diesel locomotives currently in Amtrak's fleet that already are capable of going 110 miles an hour. That's not ideal, he says, because the existing technology takes a long time to speed up and slow down, meaning trip times will be longer than for new engines.

Nevertheless, a service that can be called high speed could begin late this year on 120 miles of Illinois track between Springfield and Dwight.

Michigan also recently began testing high speed service of up to 90 miles per hour on a short stretch of track. Indiana is in the planning stages. But all depends on money. And dollars are not now plentiful at either the state or federal level. Thus, Illinois, Michigan and other states in the Midwest High Speed Rail Consortium are working with the federal government in a piecemeal project-by-project fashion.

Here in Illinois, the projected cost of

the St. Louis to Chicago corridor will run between \$385 million and \$435 million, depending on which route option the state chooses for the final leg into Chicago. Transportation officials say the state has put about \$130 million into the effort so far. After spending most of the last decade working on feasibility, engineering and environmental studies, they are making infrastructure improvements. Through the Illinois First program, \$80 million is going toward track improvements on the rail line between Springfield and Dwight. But that's the extent of the money in the pipeline, Williams says. He says improvements to the St. Louis to Springfield leg are expected to cost \$95 million more, and work on the Dwight to Chicago stretch would follow at an as-yet-to-be-determined cost. Work on the other two corridors isn't even on the horizon.

Furthermore, the state's budget will be tight in the next fiscal year, which begins July 1. There is only \$27 million in Gov. George Ryan's proposed budget for high speed rail track and crossing improvements, which are needed to complete work on the Springfield to Dwight stretch. State Sen. Steve Rauschenberger, an Elgin Republican who heads his chamber's appropriations committee, says he anticipates that amount will stand without objection, but he holds out little prospect of more. Even if significant federal matching money were to come the state's way, Rauschenberger says, "You can't get it on this year's radar screen for most legislators. They're just too consumed between primaries and general elections and the kind of uncertainties that new districts cause."

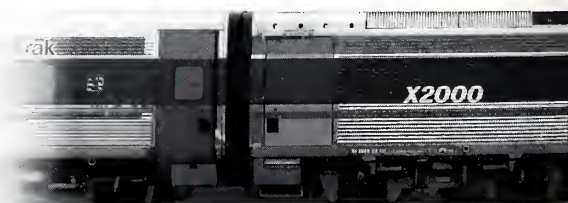
Federal money is questionable anyway. The U.S. Department of Transportation budget for fiscal year 2003, which begins October 1, contains a capital request of \$521 million for Amtrak. If past practice holds true, the bulk of that money will go to projects on the Northeastern corridor, leaving little for other regions of the country, including the Midwest. But even that amount is essentially meaningless. According to federal

transportation budget documents, the figure is merely a "placeholder, pending development of a new paradigm for intercity passenger rail service." U.S. Deputy Transportation Secretary Michael Jackson said in a budget briefing following the rollout of the Bush Administration spending plan: "We must decide precisely what intercity passenger rail service we need, what we can afford, and how we can sustain it over time."

There is little consensus about what kind of service the nation needs or what it's worth. Before September 11th, the \$12 billion High Speed Rail Investment Act, co-sponsored by Durbin, called for an 80-20 federal/state split of development costs funded through bonds. Since the attack, Amtrak has had another round of financial woes, culminating in a recommendation by the Amtrak Reform Council, a federal oversight agency, to break the passenger rail company into smaller pieces.

Yet, Warrington said the company's performance since September 11th might be an opportunity to resolve the long-simmering political battle over Amtrak and allocate significant capital dollars to bolster service. Amtrak ridership was 4.5 percent above the January 2001 level, and passenger miles were up 5 percent. The corresponding numbers reported by the Air Transport Association for domestic airline service showed declines of 14.7 percent and 12.8 percent, respectively. Meanwhile, as the airline industry hurts, Amtrak's passenger revenues have gone up 12.4 percent.

Still, recent discussion in the U.S. House has focused on de-federalizing or even privatizing passenger rail service. Consortia of states or regional corporations would oversee corridors that could include development of a high speed option. If that were to happen, Paul Weinstein





Jr., a fellow with the Progressive Policy Institute, a think tank for New Democrats, says developing high speed service could become a lot more costly for states. That's because, Weinstein believes, regional coalitions would wield a lot less political clout than even an anemic national Amtrak system has been able to muster in budget battles. Weinstein says doing away with Amtrak might even change the premise of rail development. He says the most growth in ridership over the last few years has happened on commuter systems. So instead of starting with long corridors, Weinstein believes high speed rail might evolve out of metro systems, though the benefits of reductions in trip times through sustained speed come mainly on longer distances.

The National Association of Rail Passengers has yet another idea: a trust fund supporting capital improvements to the nation's rail passenger routes similar to the trust funds for the aviation and highway sectors. Association Director Ross Capon acknowledges the only way to generate meaningful dollars in such a fund would be to use some fiscal support from airline ticket fees and gasoline taxes on rail, an idea facing spirited resistance in Congress.

The obvious deadline for an end to a rail policy and funding debate is September, when Amtrak's funding authorization runs out. U.S. House Transportation Committee member Rep. Tim Johnson, an Urbana Republican, says the terrorist attacks last September have solidified the idea that the nation needs to do more to preserve the rail option and make high speed service more common. But what "more" means and when that would happen is far from clear. □

*Charlie Schlenker is a reporter for Public Radio station WGLT in Normal, a stop on the St. Louis to Chicago rail corridor.*

# Rough ride

## Amtrak could pick up a few tips from Illinois' other major rail service

by Daniel C. Vock

Suburbanites who leave Chicago by rail can expect to arrive home on time. Trains are frequent on every route. And ticket prices are lower than the cost of driving. But rail passengers who travel from Chicago to downstate destinations have no such assurances.

Metra, the commuter rail authority that serves the Chicago region, and Amtrak, the passenger rail company that serves the nation, are comparable in some ways, of course. Both are subsidized with taxpayer dollars. They use the same tracks and share some stations.

But there is a fundamental difference: Metra enjoys success, while Amtrak is struggling for its life.

Why?

The scope of the operations differ, certainly. Amtrak locomotives haul passengers over a 22,000-mile rail network nationwide; the Metra system covers 546 route miles.

But a key factor appears to be politics, not infrastructure. Or, more accurately, politics, operational practices and personnel. Metra is simply more insulated from political forces than Amtrak, and its managers do a better job keeping tabs on potential problems, according to sources in the rail industry.

"[One] big difference [between Amtrak and Metra] is that the state of Illinois doesn't tell us how to run our railroad. We're not a department of the state of Illinois. Amtrak has some independence, but Congress tells them where to run their trains," says Metra spokesman Frank Malone.

In fact, the Amtrak Reform Council, appointed in 1997 by Congress to monitor the progress of Amtrak in its attempts to gain self-sufficiency,

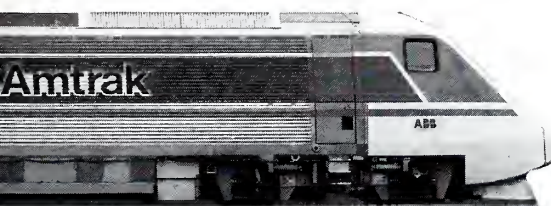
recommended insulating Amtrak from the annual federal appropriations process. "They have to go to Capitol Hill every year with a tin cup," explains council member Jim Coston, a Chicago lawyer.

Last February, the council suggested setting up a board to oversee operations and infrastructure and to serve as a buffer between Amtrak and the government. Coston says he hesitated to sign on to the idea because he believes the premise of creating an independent passenger rail system is "bogus." Ultimately, he backed such a board, considering it the only viable plan under discussion for turning Amtrak around.

Indeed, there is intense pressure from Congress to make Amtrak financially self-sufficient by the end of 2002. But the council announced last fall that Amtrak would miss the mark. Now Congress must decide whether to continue subsidizing Amtrak at all.

Formally called the National Railroad Passenger Corporation, Amtrak has never lived up to expectations that it could pay its own way. In 1970, Congress planned to bankroll the passenger service for two years. Amtrak missed that deadline and nearly a dozen others.

As for its local counterpart? To begin with, Metra has never faced such expectations. Metra estimates it will take in \$203.9 million from sales tax revenue in the 2002 fiscal year, which amounts to 45 percent of its budget. The agency is required by state law to cover 55 percent of its operating costs with ticket sales. The other 45 percent comes from a special sales tax in the six-county metropolitan region Metra serves.



*For its part, Amtrak may simply be faced with a losing proposition. U.S. Sen. Dick Durbin, an Illinois Democrat, argues that subsidies for passenger rail are small compared to public support for other modes of transportation.*



But Metra also has incentives to recoup as much of its costs through the ticket box as possible: The authority can put any money it raises beyond its 55 percent mandate toward capital improvements. "We have a saying around here, and it's kind of corny, but it's: 'The more you capitalize, the less you have to subsidize,'" says Malone. Improved infrastructure attracts more customers, which means more cash from fares, he explains.

For its part, Amtrak may simply be faced with a losing proposition. U.S. Sen. Dick Durbin, an Illinois Democrat, argues that subsidies for passenger rail are small compared to public support for other modes of transportation. The country spends \$300 billion a year on highways and \$50 billion annually on air service, notes Durbin spokeswoman Stacey Zolt.

In contrast, Amtrak received \$939 million from the federal government last year, though more than \$300 million of that was held over from the previous year. Before he stepped down to head New Jersey's commuter bus and rail agency, former Amtrak President George Warrington warned the operation will need \$1.2 billion next year or it will be forced to slash many of its long distance routes.

That could be bad news for Illinois.

Union Station is the fourth-busiest Amtrak station in the nation. The company employs 2,000 Illinois residents and purchases \$45 million in local services. Of the 19 long-distance routes operated by Amtrak, 11 terminate in Chicago.

Some of those routes lose enormous amounts of money. The most popular, the Washington- and Oregon-bound Empire Builder, loses \$114.14 for every passenger who climbs aboard. Matters are far worse for the Pennsylvanian, which racked up \$292.34 in losses per ticketholder in 2001. Labor absorbs most of those costs. Drastically scaling back the overnight trains could save Amtrak about \$200 million; eliminating them completely could reap \$300 million in savings, says Federal Railroad Administrator Allan Rutter. Even then, Amtrak would lose money, he predicts.

Customer revenues don't cover the costs of running shorter-distance trains, either. Individual states pitch in to support routes in their area, but it's not enough money to put Amtrak in the black. Illinois, for instance, shells out \$10.3 million a year to subsidize shorter-distance routes that start in Chicago and run to St. Louis, Carbondale, Quincy

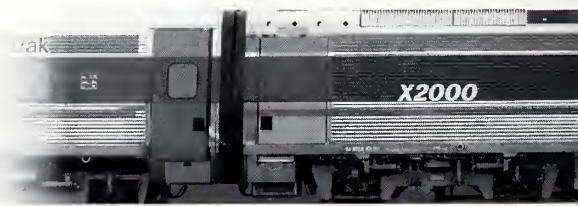
and Milwaukee.

But state support can help. State subsidies play a large part in the success of long-distance commuter trains in California, considered by many to be a bright spot on the Amtrak network. California boosted ridership and capacity on its intercity routes, which are run by Amtrak but paid for by the state.

Furthermore, California worked closely with Union Pacific railroad to improve the lines by adding signals and laying double track in congested areas. The state also bought 17 locomotives and 88 rail cars, says John Robin Witt, a spokesman for the California Department of Transportation.

Original guidelines called for ticket sales to account for at least 60 percent of the operating costs of the routes, but all of the trains recover more than that now, Witt says. "Intercity rail never paid for itself, but it's getting closer," he adds.

California transportation officials found that increasing the frequency







of trains on popular routes added to the popularity of those trains because people came to rely on them more as they became more convenient, Witt explains.

One other factor that both California and Metra officials say is key to their successes is a close working relationship with the freight companies that own the track.

Under federal law, Amtrak passenger trains have priority over freight trains. But, fully one-third of the 40,000 hours of delay to Amtrak trains in a recent nine-month period were caused by interference from other trains, according to Rutter, the federal railroad administrator.

On the Illinois-supported routes, only trains running between Quincy and Chicago were on time more than 80 percent of the time in 2001, according to the Illinois Department of Transportation's Bureau of Railroads. Trains moving from St. Louis to Chicago fared the worst, with less than a

60 percent on-time performance. An overnight train on that route was punctual less than 10 percent of the time.

In contrast, Metra officials report that while they run more than 700 trains a day, 96 percent are on time, though that agency, too, must operate largely on freight tracks.

"We live or die according to the freight railroads," Metra spokesman Malone acknowledges. But there is no state law specifying that Metra trains have priority over freight trains, only contracts hammered out with the railroads. "None of it is legislated; all of it is negotiated," he says.

That collaborative approach is one ingredient missing from Amtrak's business practices, says Joe Szabo, Illinois state director of the United Transportation Union. In order for Amtrak to improve, he says, it must work more closely with the communities it serves, the freight rail companies, its employees and, of course, its passengers.

"[What] Metra does so well is to understand who the stakeholders are. They have strong relations with all of them," says Szabo, who represents the interests of passenger and freight railway workers.

In the case of a delay caused by a freight train, it means Metra officials

would get on the phone immediately to find a solution, while Amtrak is willing to tolerate excessive delays, he says. When it comes to labor management, Metra consults with its employees regularly, but Amtrak "will only reach out when there's a crisis," Szabo contends.

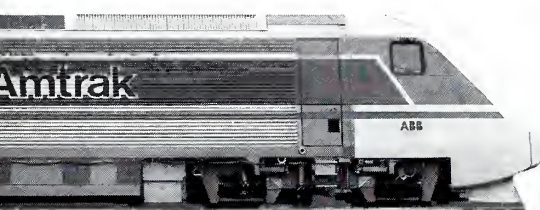
Further, Amtrak's cost-cutting efforts have only made the situation worse, he argues. He says the railroad has increasingly pushed employees to work the maximum 12-hour shifts allowed under federal law, even if it means stopping trains in the middle of cornfields to swap crews, which often further delays already tardy trains.

The UTU also objects to Amtrak management's threat to eliminate longer routes on the network. "You can't amputate yourself into health," Szabo says.

Amtrak faces many other problems: more than \$3 billion in debt, a decline in long-trip passengers and the staggering costs of developing a high speed Northeast corridor.

Nobody expects solutions to those issues to come easily, but the ride might not be as rough if Amtrak were to pick up a few tips from Illinois' other major passenger rail service. □

Daniel C. Vock is the Statehouse bureau chief for the *Chicago Daily Law Bulletin*.



# Budget cuts put family gains at risk

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A slowing economy threatens to erode the advances in public policy that have given children from Illinois' low-income families a better chance to succeed

by Maura Webber

Photographs courtesy of Voices for Illinois Children

**I**t's been a difficult year for Nora Watters and her family. The 38-year-old Decatur woman has managed to find work, but her job with the National Opinion Research Center only brings in an occasional

paycheck. The family of four, which earned about \$30,000 last year, has been on an especially tight budget since last fall when Watters' husband lost his full-time job at a local car dealership.

To make matters worse, Nora Watters' 12-year-old son Kendall was diagnosed five years ago with a brain tumor, bringing additional medical expenses. And a recent routine visit to a dental clinic revealed that her





15-year-old son Johnathon needs to see an oral surgeon. Fortunately, Watters has had access to KidCare, a shared state and federal program that provides medical benefits to children from working families such as the Watters that can't afford private insurance.

KidCare, launched in 1998, is a state and federal program designed to help cover the basic needs of the working poor that got a boost during what has been called the longest economic expansion in U.S. history. Similarly during the 1990s, Illinois' low-income parents enjoyed increased access to state-aided childcare. As welfare reform reduced reliance on public assistance and pushed more people into the workforce, the state transferred some of its savings to cover those costs.

An increasing number of working families have needed such assistance. Despite finding work, many of these families are still struggling to make ends meet. From 1990 through 2000, Illinois saw a 6 percent drop in the number of children living in poverty, according to a recent national study by the Baltimore-based Annie E. Casey Foundation. But during the same period, the study showed the number of Illinois children living in working-poor families rose 29 percent to 537,000 children in 2000. Under the study's definition, an annual income for a working-poor family of four with two children would fall roughly between \$17,000 and \$35,000. These families had one parent working for 50 or more weeks during the year.

The irony is that a slowing economy has put pressure on governments to pull back funding on social service programs just as working-poor families face a soft job market that makes the assistance more important than ever. And this threatens to erode the advances in public policy that have given children from Illinois' low-income families a better chance to succeed.

"We worry about losing very important gains we've been making for children in Illinois," says Jerome Stermer, president of Voices for Illinois Children, a child advocacy

group that publishes an annual study on the welfare of Illinois children called *Illinois Kids Count*, which is also funded by the Casey Foundation.

Indeed, Illinois politicians face tough choices in the coming months. Gov. George Ryan's proposed 2003 budget, which lawmakers have until the end of May to take action on, has recommended reducing the state's Medicaid reimbursement rates to noninstitutional doctors, dentists and chiropractors by \$76 million. These cuts also will affect doctors serving KidCare patients.

Initially started by former Gov. Jim Edgar to extend Medicaid coverage to working families that couldn't afford health insurance, enrollment in KidCare has grown more than five-fold from 1998 to cover 156,995 children in 2001, according to the Illinois Department of Public Aid. The cost to families varies according to income and family size. Children in families of four with annual incomes of up to \$24,073 are generally covered under the KidCare Assist Base program, which is part of the state's Medicaid program and requires no co-payment or premium. A family of four making between \$24,073 and \$33,485 would either pay no premium and \$2 co-payments on the low end of the range for each doctor visit or a \$30 monthly premium and \$5 co-payments on the high end.

Despite the expansion of the KidCare program, the lower reimbursement rates that doctors now face may make it less attractive for private practitioners to accept patients who rely on the state programs to pay for medical services. That translates into more difficulties for people like the Watterses, who are trying to make sure their children get the medical treatment they need. Nora Watters is grateful that a local clinic's doctors routinely accept KidCare, but it doesn't always have specialists on staff. She is having trouble finding an oral surgeon who will treat her older son.

"One oral surgeon told me if I had \$800 for a down payment on the expenses we could talk, but I don't even have enough money for food to feed my kids this week," says Watters,

who hopes she can get through this difficult financial patch without needing to apply for more substantial public assistance.

Lower-income families are watching similar scenarios play out across the country. Illinois is one of many states struggling to balance their budgets in a recession that ended years of unprecedented economic expansion and revenue growth. More than two-thirds of the states have taken steps to cut spending on programs for low-income residents, according to a January report by the Washington, D.C.-based Center on Budget Policies and Priorities.

In Illinois, the threatened changes come in the wake of many measurable improvements in children's welfare. For example, Voices for Illinois Children's *Kids Count 2002* study showed that the number of children from low-income families who have state or federally funded medical coverage rose 19 percent from 1998 through last year to 932,690. This was largely due to increased enrollment in KidCare. From 1995 through 2000, there was a 2 percent rise in the number of students graduating from high school. And since Gov. Ryan took office, the state has boosted childcare spending from \$448 million to \$667 million in the current fiscal year.

Child advocates also concede that Gov. Ryan's \$52.8 billion budget proposal for the fiscal year that begins July 1 contains some elements that would continue the gains made by working-poor families. These include a proposal to use \$45 million in state money to attract federal funds that would expand the current KidCare system to cover the parents of children in the program. In its first year, the state public aid department expects the program would be extended to cover up to 80,000 parents whose income is less than 65 percent of federal poverty level. The administration estimates that this proposal, which needs federal approval, could ultimately provide medical coverage to as many as 200,000 adults.

In addition, the budget plan included a \$14.3 million proposal that would increase payment levels

***Child welfare advocates argue that the future for the state's low-income children needn't be so bleak.***

***They hope legislators will consider alternatives that could boost revenues.***

for Temporary Assistance for Needy Families, the restructured welfare program that replaced Aid to Families with Dependent Children in 1997 with a new focus on getting recipients back into the workforce. The increase in TANF, which provides cash assistance and work support to low-income families with children, would be the first increase in more than 12 years.

In addition, Ryan included \$5.8 million to fund the development of a preschool program that would be available to all 3- and 4-year-olds in the state. This plan is designed to build upon state programs that currently exist for children at risk of academic failure. The proposal coincided with the release of a report by a task force assembled by the governor showing that every dollar invested in early childhood education recoups \$7 in such benefits as reduced crime and need for remedial education.

But there are other cuts that will hit low-income families hard, Stermer says. Besides reductions in Medicaid payments to doctors, Ryan's proposal included a \$33 million cut in the budget for state-aided childcare programs. Working-poor parents will see their co-payments for childcare rise from 10 percent to 20 percent, depending on family size and income. For example, officials from the Department of Human Services say a family with an earned income of \$13,000 and two children in childcare would see their weekly payments rise \$16 to \$18.70.

Another proposed change would

radically affect education funding. It would eliminate 22 grant programs, which earmark dollars for such specialized services as early childhood preschool for at-risk children, bilingual education and truant and dropout assistance. While the grants do not exclusively serve low-income children, many of them ensure that districts use the money to reach out and help troubled students succeed in school.

Under the governor's proposal, the money would instead be distributed as general state aid to boost per pupil spending. This is probably the least likely proposal to win legislative approval because so many lawmakers, including those representing Chicago and downstate schools, have calculated that their districts would end up net losers.

Illinois House Majority Leader Barbara Flynn Currie, a Chicago Democrat, says she hopes the Conference of Women Legislators will oppose the childcare cuts that would raise co-payments and the elimination of the early childhood grant money.

"This is the opening salvo in the budget battles. I'm hoping we'll be able to take a different approach," Currie says, adding that it was contradictory for the state to support preschool for all at the same time that it cut the nearly \$185 million early childhood education grant that mandates preschool for those children who are particularly at risk of not being prepared to enter school.

Ryan administration officials argue the cuts are difficult but need to be taken in the context of the many gains made in recent years.

Karan Maxson, director of transitional services for the Illinois Department of Human Services, says the administration has overseen a dramatic increase in childcare spending. "The changes of course are difficult, but overall I don't see that as backing away from the commitment at all," Maxson says. The co-payments, she adds, are still well below private sector costs.

That kind of thinking is difficult for parents like Marilyn Atkins to

understand. A single Chicago mother of six with a full-time job as a personnel officer, Atkins earns \$25,000 and pays \$69.23 a month to send two toddlers to the Nia Family Center in Chicago. Even a small increase in her payments would be too much, she says. And while she has family that she can turn to for help, she fears others who won't be able to afford higher co-payments might leave their children at home alone or with uncaring adults — with disastrous results.

"You're going to have so many tragedies on the news, and then it's going to be too late to help."

There also could be dire consequences as a result of the \$200 million in annualized cuts in Medicaid hospital reimbursement rates made late last year that will carry over into the proposed 2003 budget, says Karen Porter, a spokeswoman for the Illinois Hospital Association.

According to the association, Illinois ranks among the bottom 10 states in terms of reimbursement for Medicaid services. Though the Ryan Administration had increased some payments for the most complex care, Porter says, those advances have been erased by the recent cuts. She says the impact will affect everyone who uses hospitals because hospitals will simply have less money to provide the same services.

"People who come to hospitals for Medicaid do not go to a separate door — they're simply paid for differently and what will change for them are the same things that will change for everyone," Porter says. The cuts could mean some hospitals will have to cut staff, others will shutter services, requiring patients to travel farther, and a few might even close altogether, Porter says.

Child welfare advocates argue that the future for the state's low-income children needn't be so bleak. They hope legislators will consider alternatives that could boost revenues. Among the proposals that appear most likely to advance is a bill that would put a 30 percent tax on the net proceeds resulting from the sale of gaming licenses. Rep. Julie Hamos, a Chicago Democrat who is one of the bill's sponsors, acknowledges



the revenue source is not steady, as such licenses do not change hands every day. But the hefty price tags that have touched the \$400 million range would mean a considerable gain for the state, she says.

Likewise the Center for Budget and Tax Accountability in Chicago is supporting several ways to boost state revenue. The bipartisan think tank estimates the state would see an additional \$537 million in annual revenue by raising the per-pack cigarette tax by 75 cents to \$1.33. It also advocates the decoupling of the Illinois estate tax from the federal phase-out. This would prevent the loss of \$90 million in revenue in fiscal year 2003. And it supports an increase in the tax on gross casino receipts, which would raise an estimated \$90 million annually.

Some states already have taken such steps. For example, Florida will recoup \$128 million by suspending a planned cut in its intangible property tax, while New York, Connecticut and the state of Washington have hiked taxes on cigarettes, according to the National Conference of State Legislatures in Washington, D.C. When the New York tax hike goes into effect in April, that state will have the highest tax in the nation as its per-pack tax rises from \$1.11 to \$1.50, says Arturo Perez, a senior policy specialist in the national conference's fiscal affairs program.

Another uncertainty in Illinois' fiscal struggles is the potential for significant change in how low-income families are served by federal policies. Congress is preparing to debate reauthorization of the welfare reform law of 1996, which sunsets this fall. Thanks to that law, and its focus on getting recipients back into the workforce, the number of families receiving welfare has dropped by half

nationally to about 2 million. That said, there is concern the numbers will rise in the current economy.

Conservatives such as Robert Rector, a senior research fellow at the Washington, D.C.-based Heritage Foundation, view the program as a remarkable success. As caseloads drop, he proposes a 10 percent cut in the



budget and a shifting of those savings to tax credits for lower-income families. He also is open to phasing in some of the changes so that they do not hit recipients during the current downturn.

The more liberal California-based David and Lucile Packard Foundation, which publishes *The Future of Children* journal and promotes policies for children, are hoping to see an expansion of the goals of welfare reform to include

more childcare subsidy programs for the working poor. A recent Packard report maintains it's important that families who move from welfare to work see income increase if the long-term effects on children are to be positive.

Whatever the outcome of the reauthorization of federal welfare

reform, it's clear that all states are entering this recession armed with a very different set of public policies to assist struggling families, says Greg Duncan, professor of education and social policy at Northwestern University. While public assistance was previously aimed at supporting those who lost their jobs, Duncan says unemployment benefits are a fraction of what they used to be, and more support now goes to assist those who are working.

"This downturn is really going to be playing out under very different conditions than in the past," Duncan says. "We've supported work and that's good, but it has left us more vulnerable than in the past."

The Watters family in Decatur knows all too well how vulnerable they are. Nora Watters is hoping she will be eligible for the new FamilyCare medical program proposed by Gov. Ryan. In the meantime, she is still struggling to pay medical expenses that she

incurred for surgery she underwent — without insurance — several years ago.

"I try my best to pay it but it's almost impossible," she says. "We've just had no income." □

*Maura Webber is a free-lance business writer. Her most recent piece for Illinois Issues was about state telecommunications regulation.*

## STORY PROBLEMS

*Officials struggle to calculate the financial and social costs of not putting enough good teachers into Illinois schools and keeping them there. Meanwhile, suburban educators use fancy accounting methods to pay the bills*



### MOBILE MINORITY *Midwestern teachers of color switch schools more often than white colleagues*

by Kristy Eckert

**C**heryl Denise Napolez has taught at seven schools in the past seven years — and her salary has jumped from \$26,000 to \$44,000 because of it.

She's bounced around various Chicago-area school districts, including classrooms in Chicago Heights and Riverdale, the south suburban community where she now teaches sixth-grade language arts at General George S. Patton School.

"One thing I look for is a career ladder. I'm looking for better opportunities place to place," says Napolez, a former health administrator who holds two master's degrees. But she says she also is committed to making a difference and has turned down a better-

paying job to work at a school that she believed needed her more.

Napolez, an African American, is part of a pattern: nomadic minority teachers.

In a project that began in 1995, the North Central Regional Educational Laboratory studied nearly 12,000 Midwestern teachers during their first five years on the job and found that, while minority teachers don't leave the profession as often as whites, they do transfer districts more than twice as often. In fact, 51 percent of minority teachers changed districts during their first five years, compared to 18 percent of white teachers. Illinois is one of four states included in the study.

The revelation that the mobility rate is far greater among minority teachers comes in the midst of a statewide teacher shortage.

Schools from Chicago to Carbondale are short-staffed. In the fall of 2000, districts throughout Illinois had more than 2,000 unfilled teaching positions, leaving more than 42,000 public school

kids without qualified teachers. That's according to the Illinois State Board of Education, which also reports that the state loses about 30 percent of its new teachers within their first three years. And the situation is expected to worsen. The state board says student enrollment is projected to grow through 2008.

More to the point, minorities are underrepresented in the teaching force and, thus, are in greater demand.

Minorities represent 40 percent of Illinois students, but only 15 percent of teachers, according to the state board. This is disturbing to educators who agree teachers should represent the state's diversity.

"I think it's important that we have classroom teachers who represent the population we serve. They become role models for the students they teach," says Frank Llano, state board manager for teaching leadership.

While most schools have fewer qualified teachers than they would like, probably all schools have fewer minority



teachers than they want, says Ann Chambliss, past president of the Decatur Education Association. "Districts are more desperate for minority teachers than for majority teachers."

But other factors beyond a plethora of opportunities can contribute to the mobility of minority teachers.

If they begin their careers in the poor schools, the frustrations that go along with teaching in those classrooms might be what pushes them to change districts, says Marilyn Johnson, legal counsel for the Chicago Board of Education. "The challenges may be somewhat greater in terms of where they're assigned," she says. "Are they disproportionately in schools that are struggling?"

In fact, teachers working in the wealthier schools have less reason to change districts.

"We usually end up in the worst

schools with the worst pay," contends Michele Jolivet, an African American who taught elementary school in Chicago for four years and is now an assistant professor at Chicago State University. There is a teacher shortage, she says, but "you still don't find a big rush of minorities out in [the affluent Chicago suburb of] Winnetka making \$60,000 a year." New Trier High School in Winnetka pays its teachers on average \$74,509, according to the 2001 state school report card. The teaching staff of 349 is 93.4 percent white.

Jolivet says teachers who work in the poorest schools are often stuck with inept administrators. "I would say that most of the teachers I know, their moves have been because of administration," she says. "I suspect it's the way [an] administration treats minority teachers."

So what can schools do to keep

teachers — especially minorities — in the classroom? Teachers need higher pay and better classroom conditions, says Susan Shea, education policy director for the Illinois Education Association.

Various bills, including mentoring programs and tuition payback incentives, are pending in the legislature, but the likelihood of their being implemented anytime soon is diminished in a weakened economy.

Regardless of the reasons, minority mobility comes at a cost: lack of stability in schools, says Herbert Walberg, emeritus research professor of education and psychology at the University of Illinois at Chicago. "It's not in the best interest of the children to have high mobility rates."

*Kristy Eckert is a graduate student in the Public Affairs Reporting Program at the University of Illinois at Springfield.*

## CERTIFIED TEACHERS

### *Illinois' goals for quality teachers are contradictory*

by Kevin McDermott

Springfield teacher Sara Oehlert worked for seven months, through a grueling process of student evaluations and self-analysis, as well as hours of testing, to earn certification from the National Board for Professional Teaching Standards in November. It designates her among the best of the best in the field of teaching, part of the profession's national elite. Of the roughly 125,000 public school teachers employed in Illinois, she's one of about 350 in that class, a group lauded recently by Gov. George Ryan in his State of the State address.

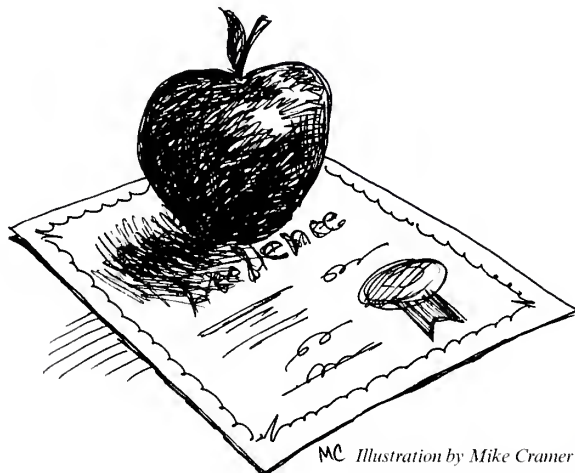
Her reward from the state is a one-time \$3,000 payment — a fraction of the incentives offered in such states as Iowa, where she could have received a total of \$50,000 over the next 10 years for the same certification.

But Oehlert, a Chatham resident who teaches 5-, 6- and 7-year-olds at the Springfield Ball Charter

School, says, for teachers, the money issue pales next to a central question of professionalism: "Is what I'm doing really making an impact on that child?" Good teachers try these kinds of things without monetary incentives, says Oehlert. "Today, if you walk through schools, you will see teachers having conversations about these topics all the time."

Now, as Illinois faces crises in both the quantity and quality of its educators, state officials hope that mind-set among "good teachers" can help advance what might sound like contradictory goals: bringing more teachers into the system by making it harder to become one. Tracking a national trend, the state faces a debilitating shortage that will require hiring 55,000 new teachers over the next four years.

The causes include retirement, increasing competition for teachers from other states and from the private sector, and decreasing



MC Illustration by Mike Cramer

interest in teaching careers among college students.

The rate at which teachers leave the profession has increased by 60 percent since 1996, according to the Illinois State Board of Education, while the number of newly certified teachers has remained flat. Undergraduate enrollment in education programs — an indicator of future supply of teachers — dropped by 10 percent between 2000 and 2001. Meanwhile, student enrollment in Illinois public schools has increased by about 1 percent per year in the past four years.

"More than 42,000 Illinois public school students faced the very real possibility that there would be no qualified teachers in their classrooms when the 2000-2001 school year began," warned a state board report released in January. At that time, states the report, there were 2,637 unfilled teaching positions in Illinois, "often because qualified applicants could not be found."

Even as Illinois is trying to put new teachers into the classroom, however, tough new standards will soon make it more difficult to get there. That reform movement is driven, in part, by media reports that some Illinois classrooms are staffed by teachers who have consistently failed certification tests.

The seriousness of the issue was illustrated last fall, when Gov. Ryan convened his "education summit" of more than 100 educators, business

leaders, legislators and educators to come up with proposals to boost teacher quality.

"Every child deserves a qualified teacher," Ryan told the gathering at the Executive Mansion November 19.

"Real education reform involves more than money. [It must address] some striking needs in our schools regarding the shortage of teachers in Illinois — and the shortage of quality teachers in the system."

To become a teacher in Illinois, candidates need to obtain the required course work from an accredited college or university, pass a state test of basic skills and pass a subject matter test for the topic area in which they are going to teach.

The basic skills test was upgraded in September to make it more difficult. The subject matter test will be revised as of January 2004 to reflect new standards going into effect in university programs in July 2003.

Also starting in July 2003, teachers will face a third test, on pedagogy — the science of teaching. It will include material on teaching methods and techniques, as well as assessments of performance in college student-teaching settings. "We determine if someone knows the content, but not whether someone can teach the content," says Michael Long, the state board's division administrator for professional preparation and recruitment.

Union representatives say the new focus on tougher tests and standards is misplaced, and could be counter-productive to the goal of recruitment.

"Who are these new [teachers] you're going to crack down on? You can't find enough good ones," James Dougherty, president of the 85,000-member Illinois Federation of Teachers, told a state Senate committee in October. His union contends smaller class sizes and more professional development opportunities are key to attracting more and better teachers to the profession.

While noting pay is mostly a local district issue, Long says improving working conditions and marketing efforts could help in recruitment.

The state board also is exploring incentives such as scholarships, loans and tuition waivers to get people to teach in subject areas with the worst shortages, such as math, science and special education.

But the drive for tougher testing and standards, he says, could provide an intangible incentive that will lure the Sara Oehlerts into Illinois schools.

"People have not been attracted to teaching because they haven't considered it a profession. It hasn't been rigorous," Long says. "We think by making it more of a profession, more people will be attracted to it." □

*Kevin McDermott is a Springfield-based reporter for the St. Louis Post-Dispatch.*

## TAX CAPPED

*Some suburban schools have been forced to use fancy accounting methods to pay the bills*

by John Patterson

In 1995, workers installing doors on the Kaneland High School gym were perplexed. For some reason, the door frames would not fit. Architects soon discovered moisture had caused the walls to bow as much as two inches. There were fears of a collapse.

The repair tab would total \$800,000. And that's where the gym's future

collided with property tax caps.

Kaneland School District 302 is in Kane County, one of five suburban counties placed under tax caps by a 1991 state law. No longer could the school board simply vote to finance repairs with higher taxes. Voters would have to approve the hike.

"We can't sell bonds even for

emergency purposes under the tax cap," says Kaneland Superintendent Charles McCormick.

But the damage was discovered too late to get a tax question on the April ballot. Waiting until the next scheduled election in November would have required the gym to remain closed throughout the 1995-96 school year



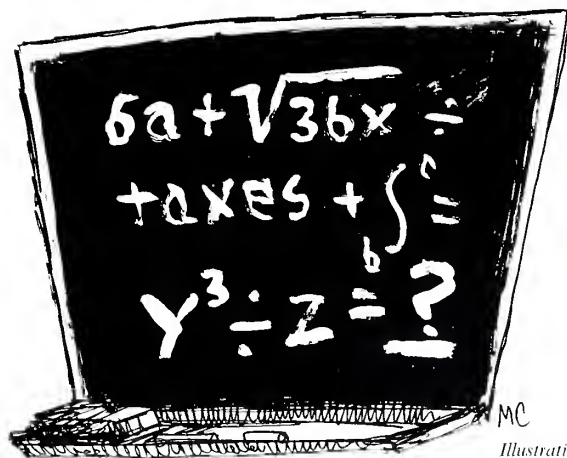


Illustration by Mike Cramer

*The law does not cap individual tax bills. Rather, the cap limits the tax burden local governments such as school districts can impose each year to 5 percent or the annual rate of inflation, whichever is lower — unless voters give approval by referendum to exceed that.*

and played havoc with the school's athletic squads.

School officials appealed to the General Assembly to exempt it from tax caps. The request was denied. So they took the unusual step of asking a local judge to order an emergency election. In June 1995, voters in the Kaneland school district overwhelmingly supported a tax hike to cover the construction project. In November 1995, the gym reopened.

But school officials say if not for tax caps, the problem could have been resolved months earlier. "What if it had been something worse that involved classrooms?" McCormick asks.

While an extreme example, Kaneland's tale is but one of many war stories told by suburban school leaders of life under tax caps. In the 10 years since the caps went into effect, they argue, they've been denied access to millions of dollars that could help them keep pace with ever-increasing enrollment.

Yet no one expects the caps to be lifted. For it was not that long ago that outraged voters demanded the state's political leaders do something about how fast and how high their property tax bills were rising in the five counties that ring Chicago.

In the four years prior to tax caps, property taxes in the collar counties of Kane, DuPage, Lake, McHenry and Will grew an average of 13.5 percent a year. Gov. Jim Edgar signed the tax

caps for the collar counties into law and they became effective on the 1991 taxes payable in 1992. Over the next three years, that rate of increase dropped to 6.8 percent.

Cook County came under tax caps in 1995. Voters in another 31 counties, from Jo Daviess in the far northwestern corner of the state to Massac at the southeastern tip, imposed tax caps on themselves. State revenue officials estimate the caps have saved property taxpayers more than \$2 billion so far.

"I think in many ways, tax caps have been good for suburban education," says state Sen. Steven Rauschenberger, an Elgin Republican. "They added a resource, discipline, that had been lacking."

However, the term "tax cap" can be misleading. The law does not cap individual tax bills. Rather, the cap limits the tax burden local governments such as school districts can impose each year to 5 percent or the annual rate of inflation — whichever is lower — unless voters give approval by referendum to exceed that.

This is designed to provide property owners with some protection from tax bills increasing only because the value of their property is rising.

"The tax cap legislation is working from a legislative perspective and a public perspective," says Dave Torres, an assistant superintendent at Palatine Township High School District 211 in suburban Cook County. "From a

school district's perspective, it has really shackled districts' abilities to generate more funds."

The problem, Torres says, is that tax caps have no correlation to a school's enrollment growth. And in recent years, his enrollment — now at 12,600 students — and the cost of educating those students is racing ahead of the tax growth allowed under the caps.

To deal with cap-created budget constraints, Torres and other suburban schools apply some creative accounting moves. For instance, school districts' budgets include a separate fund designed specifically for risk management and potential legal matters, which, for the most part, contains more revenue than is needed. But state law also permits those dollars to be spent on prevention efforts. Thus, officials at District 211 seized the opportunity to use some of the dollars in that special fund to pay the salaries of their athletic trainers, thereby reducing pressure on the general fund used to pay most teachers' salaries. After all, district officials argue, trainers help cut down on injuries, which reduces the district's potential liability.

"It's not as though I'm circumventing the tax cap," Torres says. "I'm just taking full advantage of all parameters in the law." □

*John Patterson is the Statehouse bureau chief for the Daily Herald, a suburban newspaper.*

# Storm warnings

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The weather in a world altered by greenhouse gases won't be simply like today's, only warmer

by James Krohe Jr.

Change that happens faster than people can adapt to it is a good working definition of "disaster." And the news has been full of ominous warnings about the more spectacular calamities that could result from changes in climate caused by global warming, such as flooding of the world's coastal cities. Illinois lies safely inland, but there is no safe harbor from climate changes.

Stated perhaps too simply, the combustion of such carbon-based fuels as oil and coal over the past century or so has burdened the earth's atmosphere. Carbon dioxide and kindred gases act like an insulator, raising the planet's temperature by trapping the sun's energy near the surface — thus their collective name, "greenhouse gases." Experts disagree on the pace of the resulting global warming, even on whether or how much of the recent measured increases in surface temperatures are caused by human activity. Nonetheless, a consensus is emerging that the phenomenon is real.

Weather affects nearly everything about life in Illinois. Government and business leaders know that; what they don't know with any precision is how local weather may be altered by global shifts. All that is certain is that Illinois will be affected, in ways that are at best unpredictable and at worst unwelcome.

As an art, climate forecasting is a little like making state government budget forecasts. Climate change scenarios vary in their assumptions and their

methodologies, and thus in their outcomes. In studies funded by the U.S. Environmental Protection Agency, among others, some dozen computer models have been used since the mid-1990s by climatologists in government and university laboratories here and abroad to forecast Illinois' climatic future. The models tend to agree on some things, such as the likelihood of hotter and drier summers. (In the 1980s, Illinois went to Texas in the form of migrating industrial workers; by mid-century, Texas may come to Illinois in the form of Texas-style heat.) They disagree about nearly everything else.

The degree of uncertainty in climate forecasts is significant. Estimates of future Illinois corn yields reported in 1997 by the U.S. EPA, for example, ranged from hardly any change to declines of up to a third. Soybean yields under the same projections could drop by 24 percent (soybeans don't like heat) or increase by 13 percent (they like extra rain and carbon dioxide). A more recent analysis that took into account more factors suggests soybean yields may nearly double. Overall, the models tend to agree that farmers probably will be better off in Illinois' warm new world: things may warm up so much that some producers will be able to plant two annual crops — one of which is bound to make money.

The weather in a world altered by greenhouse gases won't be simply like

today's, only warmer. The addition of energy, in the form of trapped solar radiation, to the global weather system is likely to make it less stable, too. The EPA's 1997 analysis noted that Illinois weather, which already is notorious for its extremes, is likely to become more so. (Extreme, that is, not notorious.) The number of very hot days, for example, may increase. Hot summers already kill, on average, 190 people a year in Chicago, and heat-death epidemics like those of 1995 and 1999 might become grimly common. According to one federal EPA estimate, by 2050, heat-related deaths during a typical Chicago summer could increase 85 percent to nearly 360, although that number may not fully account for the increased use of air conditioning. Hotter summers almost certainly will have less immediately lethal consequences, too, such as more ozone in Chicago (twice as many dangerously high ozone days, according to one study) and in the Metro East area.

If the models are accurate, Illinois' extremely wet days — those soil-shifting, river-gagging downpours that erupt in the spring and summer — are likely to get even wetter, especially in summer. More summer rain improves yields (good for farmers) and increases erosion, especially if it comes in the form of more and heavier thunderstorms (bad for farmers). More spring rain, or winter precipitation followed by warmer springs, means more floods (good for the U.S. Army Corps



of Engineers). Higher floods will test storm sewer systems in the cities, and flooding along major rivers will test a system of levees designed to withstand once-rare floods that already have become routine now that we have re-engineered the rivers' floodplains as well as the climate.

Paradoxically, many climate models conclude that, in addition to higher average rainfall, hotter summers also may produce more frequent and/or more severe droughts. The rain, when it falls, likely will come in buckets, but when it's not raining the heat will parch fields and lawns. Illinois field crops already are vulnerable to periodic droughts. More frequent or more intense dry spells could force some farmers to switch to new crops — not necessarily a bad thing, but certain to be a risk, and probably an expensive one.

Nastier summers pose perhaps graver threats to Illinois' really important crop: people. Marc Andreessen, the software whiz who, as an undergraduate at the University of Illinois, helped develop the National Center for Supercomputing Applications Mosaic Web interface that was the basis of Microsoft's Internet Explorer browser, left Urbana-Champaign after he visited California — and he was only one of the thousands who have fled. One guide to graduate student life at the U of I bravely states, "Weather is stimulating; one can experience the entire range of the four seasons with a full view of the Midwestern sky." Those who have lived in Illinois know that one can indeed enjoy a full view of the sky when one is flat on one's back, having fallen on ice or been blown off one's feet.

The state's climate already is a factor in the generally poor marks Illinois towns receive as places to live. Illinois also is a more expensive place to live and do business in than other places because of the climate. Building owners, including homeowners, are punished by big bills for both heating and cooling, while in most parts of the country they would face only one or the other. They pay more in taxes, too, because the weather imposes huge costs on public bodies — requiring storm sewer systems on a massive scale, flood control levees, snow removal and more frequent street

and road maintenance.

The 2001 Great Lakes Regional Assessment Group report is one of several studies sponsored by the U.S. EPA that asked government and university scientists to look at the local impacts of global warming. A recent report by the Great Lakes team examined how global warming might affect the lakes. Different models not unexpectedly gave different results. One of the two used in this study predicted a drop of 2 feet to 5 feet in average Lake Michigan levels over the next century, a finding confirmed by most computer simulations to date; the other predicted that average levels would stay the same or increase slightly.

These changes are not especially surprising, or especially severe. Lake levels have been fluctuating for centuries, as is confirmed by the ancient beaches that lie as far inland as Oak Park. The past century and a half may have been an atypically stable interlude, during which the swings have been modest and have lasted only a few years at a time. An extended drop in water levels, however, would hurt pleasure boating and make commercial shipping impossible. It also would increase political pressure to reduce Illinois' withdrawals from the lake for drinking water and sewage disposal.

The effect of climate change on those parts of Illinois occupied by creatures that do not have congressional representation will be varied, too. Some critters may react to a changed climate the way settlers reacted to the offer of \$1.25-an-acre government land. Southern crop pests that now are killed off each winter could begin to migrate into Illinois. The range of the Asian tiger mosquito, which can carry encephalitis viruses, might spread from far southern Illinois if greater rainfall combines with hotter temperatures, according to a study published in 2001 by researchers at Illinois State University in Normal. The insect already has established itself in the East St. Louis and Peoria areas and has even been seen in Chicago. The over-wintering range of mosquito species that carry other diseases could shift north, too, exposing Illinoisans across more of the state.

Not all the likely changes would be

bad. Only the tow truck industry would begrudge Illinoisans warmer winters. As noted, yields of some crops might increase thanks to higher summer rainfall. Warmer summers should spur more of the state's residents to complain about electric rates — not all of the whining one will hear on summer nights will come from mosquitoes — but also make long-overdue improvements in the energy efficiency of their buildings. And any increase in winds could make wind power — finally — into a feasible generating alternative.

Illinois, as a populous industrial state, adds significantly to the global warming problem; carbon dioxide emissions from Illinois sources were estimated in 1998 to constitute about 0.9 percent of the global total. But cutbacks in greenhouse gases from Illinois sources would by itself have negligible effects on the global situation, at real costs to the state. Indeed, critics note that the real risk to Illinois is not from changing climate but from ill-considered policies meant to keep the climate from changing, such as the premature retirement of coal-fired power plants, a move that would reduce electricity supplies and drive up prices.

If prevention is beyond the capacity of Illinois acting alone, can state and local governments do anything to help their constituents cope with calamity when it comes, as it now seems destined to do? The past is not encouraging. Illinois experienced especially harsh droughts in the 1930s and again in the 1950s, but memories are short, and each new drought seems to catch people by surprise. Water is still under-priced by most measures, and thus much of it continues to be wasted.

Illinois government has problems responding to crises in the present — childcare, schools, taxes — much less one that hasn't happened yet, and whose precise nature is not known. That might be just as well; solving a problem that doesn't exist may have mischievous effects. For the moment, people must keep watching the sky, as if awaiting an approaching thunderstorm, ready to react if they can. □

*James Krohe Jr. is a long-time contributor to the magazine on environmental issues.*

## BIG PEOPLE ON CAMPUS

### Western Illinois picks a new president

**Alvin Goldfarb** will become the 10th president in the 101-year history of Western Illinois University. He will assume duties on the Macomb campus July 1, replacing former President **Donald Spencer**, who left at the end of last year.

Goldfarb is now provost and vice president for academic affairs at Illinois State University in Normal, where he has held teaching and administrative positions since 1977.

He earned a Ph.D. in theater from The City University of New York and has co-authored two textbooks on the subject. Among his priorities is a performing arts and convocation center. He will earn \$210,000 a year.

**David Taylor**, the university's former dean of the college of education and human services, will serve as president through June 30.

*Photograph courtesy  
of Western Illinois University*

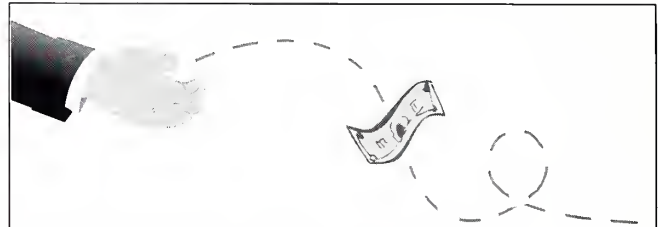


*Alvin Goldfarb*

### Executive commutations?

Gov. **George Ryan** might personally review the cases of the state's 159 Death Row inmates — or he might not. The governor implied that he would during a speech in Oregon; now he says he's not so sure. Ryan has authority to commute any or all death sentences, but he says he wants to see reform recommendations from his commission on capital punishment.

Two years ago, Ryan imposed a moratorium on executions under a death penalty process he calls "broken." Since 1977, when the current capital punishment law went on the books, 12 inmates have been executed, but 13 others were released from Death Row because of errors in the system.



### Scandal by the number

One man was charged and two others sentenced last month in the ongoing federal bribes-for-licenses investigation known as Operation Safe Road.

**Jose Jorge Gonzalez**, arrested in El Paso, Texas, on February 28, appeared in district court on March 15 and pleaded not guilty to charges that he passed bribes from illegal immigrants to **John Spahn** in 1997, when Spahn was employed at a license facility in Elgin.

Spahn pleaded guilty in November to issuing licenses to illegal immigrants and six drivers who had lost their licenses because of repeated DUIs. Spahn estimated that, as part of his dealings with Gonzalez, he issued 100 to 300 illegal licenses. Last month, he was sentenced to 10 months in prison and fined \$40,000.

Meanwhile, Florida driving school instructor **Tony Puleo** was sentenced to 18 months in prison. He pleaded guilty to giving passing grades to unqualified truck drivers who then exchanged Florida licenses for those from other states, including Illinois.

Since 1998, the investigation into corruption in the secretary of state's office, primarily during George Ryan's term as secretary, has resulted in the following action:

People charged in Operation Safe Road	45
People convicted	42
People acquitted on all charges	0

*All figures as of mid-March*

## CAMPAIGN CASH

### How much did the top statewide candidates raise?

<u>Candidate</u>	<u>Race</u>	<u>1/1-3/5 2002</u>	<u>Since 1/1 2001</u>	<u>Top contributor</u>
Corinne Wood	Governor	\$3.6 million	\$6.8 million	Husband/loan
Lisa Madigan	Attorney General	\$1.8 million	\$2.5 million	Democratic Party of Illinois
Rod Blagojevich	Governor	\$1.5 million	\$5 million	Democratic Congressional Campaign
Bob Coleman	Attorney General	\$1.2 million	\$1.4 million	Self/loan
John Schmidt	Attorney General	\$1.1 million	\$1.6 million	Self/loan
Jim Ryan	Governor	\$1.4 million	\$4.8 million	Associates-backed loan
Paul Vallas	Governor	\$1 million	\$2.3 million	Individual businessmen
Patrick O'Malley	Governor	\$611,000	\$3.4 million	Self/loan
Joe Birkett	Attorney General	\$578,000	\$830,000	Business/loan
Roland Burris	Governor	\$200,000	\$1.4 million	Business/loan

*Source:* Illinois Campaign for Political Reform



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## Lisa Madigan —not just another practiced politician

Much has been said about the age and experience of attorney general candidate state Sen. Lisa Madigan (see *Illinois Issues*, January, page 30). At age 35, her trial experience may be limited, but one should not discount Sen. Madigan's legal experience as an astute and successful lawmaker.

It is worthy to note that Bobby Kennedy was once criticized for his lack of experience, having never tried a case, when, at 35, he was appointed to the office of U.S. Attorney General, the youngest since the presidency of James Madison.

As one might also recall, prior to the 1960 Democratic Convention, Harry Truman urged John Kennedy to step aside and "to be patient," and suggested that someone of "more maturity and experience" become available as the Democratic nominee for president. One also would be wise to remember that Thomas Jefferson was only 32 when he wrote the Declaration of Independence.

I have no doubt that Lisa Madigan's personal, legal and intellectual experience have prepared her for the duties of attorney general. The state of Illinois needs fresh young minds like Sen. Madigan. Her innovative ideas and activist spirit clearly make her the strongest candidate. If anything, her youth is an asset.

As for nepotism, that too was a charge railed against Bobby Kennedy, but Lisa Madigan is a leader in her own right, and her record as state senator stands on its own. She has effectively written and passed "tough-on-crime" laws. During her first year in office, Sen. Madigan answered the call of police officers by writing and passing a law that bans secret compartments in cars that gang members use to conceal weapons. She also passed tougher sentences for domestic abusers.

As attorney general, Lisa Madigan will fulfill her duties with a sense of purpose. She views the office as "the

people's lawyer," whose mission it is to seek justice for all, and she promises to be a "tireless advocate." Sen. Madigan has the foresight to see beyond the prosecutorial role, as well as the ability to multitask, coordinating her efforts with local authorities to stop crime before it comes across her desk as attorney general. In addition, she is a proponent of community policing, which offers a viable and proven deterrent to crime.

**Randy Flowers**  
Rock Island

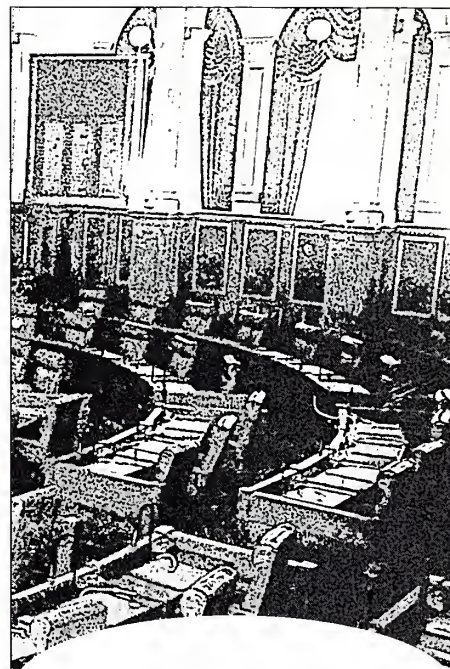


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## The mayor has a few more R's to deal with in his efforts to improve schools

by Robert Davis

**S**chool is hard. Ask any kid. Or ask any mayor.

While kids all over the world have to struggle daily with the three R's, Reading, 'Riting and 'Rithmetic, Chicago Mayor Richard M. Daley has a few more R's to deal with in his efforts to improve Chicago's 596 schools and 435,470 students. Such things as Resources (money), Race, Ryan (and maybe Ryan), and, yes, even Re-election. (Well, Re-election doesn't pose much of a problem for Daley these days, though Chicago did hold its breath a bit earlier this year when he took a header at the Rosebud Restaurant, described later as nonserious but enough to jog the citizenry's memories of the unexpected demise of Mayor Richard J. Daley and Mayor Harold Washington.)

Most local governments have long struggled with the costly problems of their school systems. And in Chicago's City Hall, the mayor and his underlings are once again viewing with alarm and loud words the pronouncements of lame duck Gov. George Ryan that costs must be cut and Illinois' school systems, from college to kindergarten, are going to share in the financial misery.

"I am upset with it," said Daley in February, just hours after Ryan said that his proposed school funding austerity plan would probably cost local school systems millions. "I am not going to have a parade for this.

---

*Chicago's relationship with Springfield has always been one of delicate balance, and nowhere is that more true than in the area of education.*

This is ridiculous." In Chicago, where just about everybody and everything gets a parade, those were fighting words.

Still, a few scant weeks later, Daley and Ryan locked arms and trotted off to Washington, D.C., to sing a duet about the merits of expanding O'Hare International Airport while moving incrementally toward another airport in Peotone.

Chicago's relationship with Springfield has always been one of delicate balance, and nowhere is that more true than in the area of education. While the Illinois Constitution says the state will be the primary funder of schools, nobody has been able to give a clear dollars-and-cents definition of what that means.

With a finite amount of money,

politicians have to decide how to spend for the maximum value to voters and, of course, to themselves. Everyone agrees that schoolchildren are the voters of the future, and their parents are the voters of the present, but an education, even a good one, is difficult to point to at election time. On the other hand, people drive on highways, over bridges, and alongside new buildings and parks.

When Chicago Mayor Benjamin Wright Raymond gave his inaugural address in 1842, he devoted one paragraph to education: He called for the construction of more school buildings, but didn't mention teacher pay. Even as the city smoldered from the Great Chicago Fire, Mayor Joseph Medill, in his 1871 inaugural statement, spent 17 of 18 pages talking about rebuilding the city. When it came to schools, he only said the Board of Education would have to "peremptorily terminate" its "lavish expenditure."

But in 1975, Mayor Richard J. Daley, at the peak of his power, went to Springfield to fight for an override of a veto of school funding by his nemesis, Democratic Gov. Dan Walker. For those present, and by all news accounts, it was one of Hizzoner's finest hours, when, at his emotional and rhetorical best, he issued a dramatic call for the children. Still, his effort failed by one vote, showing that, even then, education took a back seat when it came to politics.

In the current educational funding controversy, it seems that Democrats and Republicans are united in Springfield against spending cuts proposed by Ryan, but the fact remains that money is tight.

And, when it comes to a choice between paying for school operations or a new bridge, you can't put a plaque on a diploma. □

*Robert Davis, a journalism lecturer at the University of Illinois at Chicago, covered that city's politics for the Chicago Tribune for more than 30 years.*

Charles N. Wheeler III



## Old-fashioned politicking can still trump media-based campaigns

by Charles N. Wheeler III

**I**n the traditional Christian calendar, March 19 is the feast day of St. Joseph, the patron saint of workers. Thus, perhaps one should have expected that organized labor and party machinery would play key roles in last month's primary election.

Indeed, the results of the March 19 voting demonstrated that old-fashioned politicking can still trump media-based campaigns, even in the 21st century.

Consider, for example, the high-profile races for party nominations for governor.

Attorney General Jim Ryan, the choice of establishment Republicans, withstood a blistering barrage of negative campaign spots from state Sen. Patrick O'Malley on the right and Lt. Gov. Corinne Wood on the left to emerge with the GOP nomination. Unofficial results had Ryan pulling 45 percent of the statewide vote, to O'Malley's 28 percent and Wood's 27 percent. The list of Ryan's prominent backers included former Govs. Jim Edgar and Jim Thompson, U.S. House Speaker Dennis Hastert and state Senate President James "Pate" Philip; perhaps more important were the more than 5,000 foot soldiers deployed on election day to make sure Ryan supporters got to the polls.

O'Malley carried his southwest suburban Senate district against Ryan, but got hammered by almost 30,000

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*Attorney General Jim Ryan, the choice of establishment Republicans, withstood a blistering barrage of negative campaign spots to emerge with the GOP nomination.*

votes overall in suburban Cook County. Ryan also took Wood's home county of Lake by about 1,000 votes over the lieutenant governor.

The three-way gubernatorial primary was unusual for Republicans, who prefer the genteel passing of the baton from the incumbent to a designated successor, and the intensity of the attacks O'Malley and Wood leveled at Ryan was ferocious even by Democrats' standards. Indeed, Democrats might wish to purchase the rights to some of the ads Ryan's foes aired. How about O'Malley accusing Ryan of looking the other way while the bribes-for-licenses scandal unfolded at the secretary of state's office? Or a Wood spot contending the attorney general is too extreme in his opposition

to abortion, or another suggesting Ryan takes kickbacks from outside lawyers he hires to do state work?

On the Democratic side, U.S. Rep. Rod Blagojevich relied on solid union support and strong backing from downstate party organizations to win the nomination. The third-term congressman snagged 37 percent of the statewide vote to edge former Chicago public schools CEO Paul Vallas, at 34 percent, and former state attorney general and comptroller Roland Burris, at 29 percent. Blagojevich finished third in Chicago, some 65,000 votes behind Burris and 5,000 behind Vallas. The congressman lost suburban Cook and the collar counties to Vallas by about 80,000 votes. But Blagojevich buried Vallas by 111,000 votes in the other 96 counties, winning 56 percent of the downstate vote.

Blagojevich's huge margin downstate seemed to answer several questions pundits chewed over for months. One was whether someone with such an ethnic-sounding surname could fare well outside Chicago. Blagojevich put his roots to good use in TV spots that linked his immigrant, blue-collar background to his commitment to working families, and Democrats responded.

Another was how much Vallas would benefit downstate from the endorsement of 1998 Democratic nominee Glenn Poshard, who four years ago captured an amazing 91 percent of the primary vote in southern Illinois. Icon status apparently can't be bequeathed, however; Vallas pulled only 25 percent of the southern Illinois vote, to Blagojevich's 55 percent, losing even Poshard's home county to the congressman.

Also critical to Blagojevich's success downstate was an overflowing campaign warchest that allowed him to be on the airwaves for months before Vallas could slip in a few days' worth of spots.

But neither dollars alone, nor the TV time they can buy, will guarantee a win, as two well-heeled political newcomers



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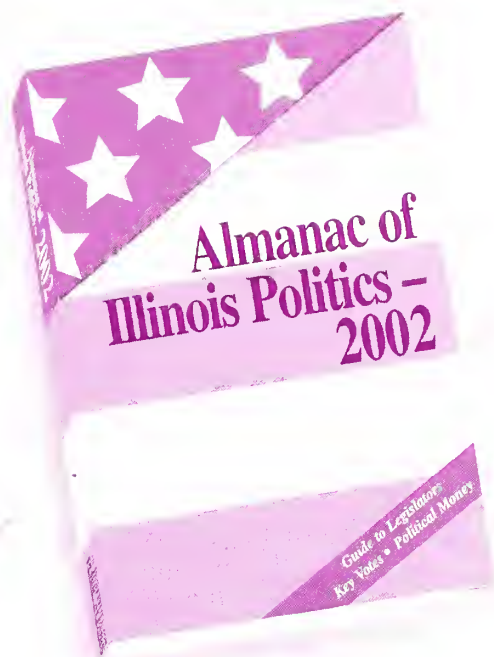
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discovered in their bids for the GOP nomination for the U.S. Senate. The Republican victor, state Rep. Jim Durkin, took 46 percent of the vote, despite being outspent nearly three-to-one by dairy owner James Oberweis, who finished with 31 percent, and attorney John Cox, who polled 23 percent. Durkin had the backing of Edgar, Thompson and most of the rest of the party hierarchy in his bid to take on Democratic U.S. Sen. Dick Durbin.

Similarly, establishment favorite Joe Birkett, the DuPage County state's attorney, easily won the GOP nomination for attorney general by a 64-36 margin over attorney Bob Coleman, whose TV spots parodying politicians were a welcome relief from the usual diet of attack ads, but failed to translate into votes.

On the Democratic side, an impressive display of political might and union muscle propelled state Sen. Lisa Madigan, daughter of House Speaker Michael Madigan, to a 195,000-vote victory over John Schmidt, a former

***On the Democratic side,  
U.S. Rep. Rod Blagojevich  
relied on strong union  
support and strong backing  
from downstate party  
organizations to win  
the nomination.***

U.S. Justice Department official, for the Democratic nomination for attorney general.

The November matchup between Birkett and Madigan is likely to feature radically different views of what the office is all about. Birkett seems to envision a state's attorney's office on steroids, a pumped-up law enforcement agency; Madigan seems to imagine a people's ombudsman, helping everyday citizens set upon by special interests. Fortunately, the constitution is vague

enough to cover whichever job description voters prefer.

For lieutenant governor, Republicans nominated Ryan's pick, state Sen. Carl Hawkinson, while Democrats chose former state Treasurer Pat Quinn in a rare setback for party and union leaders, most of whom backed educator F. Michael Kellehe Jr., who finished a distant third.

Quinn aside, every other nominee for statewide office was the choice of party leaders, and, in the case of Democrats, organized labor as well. Precinct-level workers, campaign field organizations and union phone banks delivered the vote for the favored candidates. No doubt St. Joseph was pleased by their industry. □

*Charles N. Wheeler III is director of the Public Affairs Reporting Program at the University of Illinois at Springfield.*

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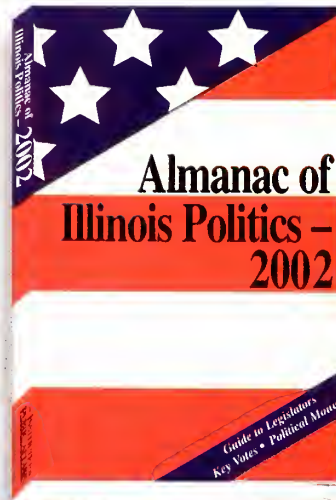
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